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U.S.-China Agreements

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In a ceremony at the White House on September 17, 1980, President Carter and Vice Premier Bo Yibo of the People's Republic of China signed four agreements—civil air transport, textile, maritime transport, and consular. Following are remarks made by the President and the Vice Premier on that occasion and the texts of the agreements.

PRESIDENT CARTER

We are here today to share some good news with each other. With the four agreements that we are about to sign, the normalization of relations between the United States of America and the People's Republic of China is at last complete.

That relationship is a new and vital force for peace and stability in the international scene. In addition, it holds a promise of ever-increasing benefits in trade and other exchanges for both the United States and for the People's Republic of China. I am personally committed to the proposition that our relationship will not be undermined but will be strengthened. Both the United States and China have made firm and written commitments which form the basis of this relationship. These commitments have the support of the people of my country and of your country, and therefore they will be honored.

What we have accomplished together since the beginning of diplomatic relations between our countries has been extraordinary. But as I said to Vice Premier Deng Xiaoping when he was here in Jan-

uary 1979, our aim is to make these exchanges not extraordinary but ordinary—in other words, to make the benefits of this new relationship a routine part of the everyday lives of the citizens of this country and of the People's Republic of China. That is exactly what these four agreements will do. Let me say a brief word about each of them.

First, the civil aviation agreement: This agreement will mean regularly scheduled, direct flights between the United States and China, beginning in the very near future. I have instructed the Civil Aeronautics Board to move quickly to name the first of the two U.S. airlines which, along with the Chinese carriers, will fly the new routes. At the airports in New York or Los Angeles or San Francisco or Honolulu a few months from today, we will hear flights announced for Shanghai and for Beijing as well as London and Paris.

Second, the maritime agreement: For the first time in more than 30 years, all U.S. ports will be open to Chinese merchant ships, and American ships will have access to all Chinese ports of call. This will mean a stronger American maritime industry. It will mean revenue for U.S. shippers from the growing Chinese market for American goods, and growing trade and commerce will benefit the people of both China and the United States.

Third, the textile agreement: By permitting orderly marketing in this country of Chinese textile products, this agreement will benefit American retailers and consumers without damaging our own textile industry, which was fully represented in these negotiations.

The fourth agreement is the consular

convention. It spells out the duties of consular officers in providing services to citizens of both our countries. One immediate benefit is to insure the protection of the rights and interests of American citizens in China. We have two Consulates in China already, and now we will open three more. These offices will promote trade, travel, and cultural and educational exchange. They will serve the needs of hundreds of thousands of Americans who will be visiting China in the next few years.

On this side of the Pacific Ocean, China now has two Consulates in the United States—one in San Francisco and one in Houston. Soon, thanks to this agreement, there will be new Chinese Consulates in New York, Chicago, and Honolulu as well.

These agreements, as you well know, are the fruit of some very hard work. A year ago, when Vice President Mondale visited China, both nations pledged an effort to complete the political and legal framework of normalization by the end of 1980. We have met that goal with 3½ months to spare. The negotiators on both sides deserve the thanks and the appreciation of us all.

I'm privileged to lead my great nation in taking this step. I consider it one of the most important achievements of my Administration—but it's an achievement with a bipartisan history. President Nixon concluded the Shanghai communique of 1972, and President Ford accepted and supported the principles of that communique. My Administration, working closely with the Congress, has taken the decisive steps which made that goal a reality.

One result has been the activity by private and public organizations on both sides to build human contacts between our peoples after 30 years of near-total mutual isolation. Another was the establishment of the Joint Economic Committee, which is meeting here this week under the chairmanship of Vice Premier Bo and Secretary [of the Treasury G. William] Miller. Our economic ties, like our cooperation in science and technology, grow broader and closer every day. Trade between the United States and China this year will be nearly four times what it was 2 years ago. China will buy some \$3 billion worth of American goods. That means jobs for American workers and opportunities for American businesses. And it means help for China's efforts to modernize and to develop its economy.

Almost 700,000 American citizens trace their roots to China. There are strong bonds of blood kinship and history between the United States and China. Yet both countries have acted not out of sentiment but out of mutual interest.

In a few moments, normalization between our two countries will be a fact. We are building something together—a broadly based consultative relationship that will enable us to expand our cooperation as the years go by.

Both of us will gain from this relationship; so, I firmly believe, will the peace of the world. America and China, so recently at odds, will have shown the world something about the possibilities of peace and friendship. In a world that badly needs a good deal of both, this is an achievement of which we can all be proud.

VICE PREMIER BO YIBO *(as translated)*

Today, in the field of Sino-U.S. economic cooperation, President Carter and I have completed a task of major significance. Starting from today, the economic relations between our two countries will have moved from ordinary exchanges to institutionalization. Just as President Carter pointed out in his very warm message to the Chinese Trade Exhibition which opened in San Francisco a few days ago, the cornerstone of our relationship is the communique on the establishment of dip-

lomatic relations between our two countries which was solemnly declared to the whole world by the heads of government of our two countries on December 15, 1978.

Since that time, the relations between our two countries in various fields have developed rapidly on the basis of both sides abiding by the obligations undertaken in the communique. It is our firm opinion that these friendly relations should continue to develop forward. Here, it is my pleasure to declare that with the signing of the Consular Convention, we'll be setting up three more Consulates General in your country. This will give a further impetus to the friendly contacts and trade and economic cooperation between our two peoples. Facts have proven and will continue to prove that such relations are not only beneficial to the two peoples but also to the peace and stability of the world.

Not long ago, we held the third session of the fifth National People's Congress. Our newly elected Premier Zhao Ziyang explicitly pointed out that we will continue to carry out unswervingly the domestic and foreign policies which we have set forth in recent years. Through this session of the People's Congress, the whole series of the effective new policies which we have been carrying out have been or will shortly be fully legalized and institutionalized.

All our people are, with full confidence, working hard to build our country into a highly democratic and civilized modern nation. For this purpose, we need peace, we need stability, we need friendship, we need cooperation. It is my conviction that the American people too need peace, need stability, need friendship, need cooperation. Let our two great nations and two great peoples on both sides of the Pacific advance hand-in-hand and make common efforts for world peace and stability and for the prosperity and strength of our two peoples.

TEXTS OF AGREEMENTS

Civil Air Transport Agreement

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA RELATING TO CIVIL AIR TRANSPORT

The Government of the United States of America and the Government of the People's Republic of China,

Desiring to develop mutual relations between their countries, to enhance friendship between their peoples, and to facilitate international air transport:

Acting in the spirit of the Joint Communique of December 15, 1978 on the Establishment of Diplomatic Relations between the United States of America and the People's Republic of China:

Observing the principles of mutual respect for independence and sovereignty, non-interference in each other's internal affairs, equality and mutual benefit and friendly cooperation;

Recognizing the importance of reasonable balance of rights and benefits between both Parties under this Agreement;

Being Parties to the Convention on International Civil Aviation opened for signature at Chicago on December 7, 1944;

Have agreed on the establishment and operation of air transportation involving their respective territories as follows:

ARTICLE I Definitions

For the purpose of this Agreement, the term:

(a) "Aeronautical authorities" means, in the case of the United States of America, the Civil Aeronautics Board or the Department of Transportation, whichever has jurisdiction, and in the case of the People's Republic of China, the General Administration of Civil Aviation of China, or in either case any other authority or agency empowered to perform the functions now exercised by the said authorities;

(b) "Agreement" means this Agreement, its annexes, and any amendments thereto;

(c) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on December 7, 1944, including

- any amendment which has entered into force under Article 94 (a) of the Convention and has been ratified by both Parties, and

- any annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such annex or amendment is effective for both Parties;

(d) "Airline" means any air transport enterprise offering or operating international air services;

(e) "Designated airline" means an airline designated and authorized in accordance with Article 3 of this Agreement;

(f) "Air service" means scheduled air service performed by aircraft for the public transport of passengers, baggage, cargo or mail, separately or in combination, for remuneration or hire;

(g) "International air service" means an air service which passes through the air space over the territory of more than one State;

(h) "Stop for non-traffic purposes" means a landing for any purpose other than taking on or discharging passengers, baggage, cargo or mail.

Article 2

Grant of Rights

(1) Each Party grants to the other Party the rights specified in this Agreement to enable its designated airline(s) to establish and operate scheduled air services on the route(s) specified in Annex I to this Agreement. Such route(s) and services shall hereinafter be referred to as "the specified route(s)" and "the agreed services" respectively.

(2) Subject to the provisions of the Agreement, the designated airline(s) of each Party, while operating the agreed services on the specified route(s), shall enjoy the following rights:

(a) to make stops at points on the specified route(s) in the territory of the other Party for the purpose of taking on board and discharging international traffic in passengers, baggage, cargo and mail; and

(b) subject to the approval of the aeronautical authorities of the other Party, to make stops for non-traffic purposes at points on the specified route(s) in the territory of the other Party.

(3) Nothing in paragraph (2)(a) of this Article shall be deemed to confer on the designated airline(s) of one Party the right of taking on at one point in the territory of the other Party traffic in passengers, baggage, cargo or mail destined for another point in the territory of the other Party (stopover and cabotage traffic), except the non-revenue traffic in personnel of such airline(s), their families, baggage and household effects, articles used by the representative offices of such airline(s) and aircraft stores and spare parts of such airline(s) for use in the operation of the agreed services. Any exchange of rights between the Parties to allow the designated airline(s) of either Party to carry on-line stopover traffic between the points on the specified route(s) in the territory of the other Party shall be subject to consultations at an appropriate time in the future.

(4) The operation of the agreed services by the designated airline(s) on routes over third countries shall be conducted on routes available to the airlines of both Parties, unless otherwise agreed.

(5) Charter air transportation shall be governed by the provisions of Annex II.

Article 3

Designation and Authorization

(1) Each Party shall have the right to designate in writing through diplomatic channels to the other Party two airlines to operate the agreed services on the specified route(s), and to withdraw or alter such designations. In the operation of the agreed services, the designated airlines may operate combination or all-cargo service or both.

(2) Substantial ownership and effective control of an airline designated by a Party shall be vested in such Party or its nationals.

(3) The aeronautical authorities of the other Party may require an airline designated by the first Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the said authorities.

(4) On receipt of such designation the other Party shall, subject to the provisions of paragraphs (2) and (3) of this Article and of Article 7, grant to the airline so designated the appropriate authorizations with minimum procedural delay.

(5) When an airline has been so designated and authorized it may commence operations on or after the date(s) specified in the appropriate authorizations.

Article 4

Revocation of Authorizations

(1) Each Party shall have the right to revoke, suspend, or to impose such conditions as it may deem necessary on the appropriate authorizations granted to a designated airline of the other Party where:

(a) it is not satisfied that substantial ownership and effective control of that airline are vested in the Party designating the airline or its nationals; or

(b) that airline fails to comply with the laws and regulations of the Party granting the rights specified in Article 2 of this Agreement; or

(c) that other Party or that airline otherwise fails to comply with the conditions as set forth under this Agreement.

(2) Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further non-compliance with subparagraphs (b) or (c) of this Article, such rights shall be exercised only after consultations with the other Party.

Article 5

Application of Laws

(1) The laws and regulations of each Party relating to the admission to, operation within and departure from its territory of aircraft engaged in the operation of international air service shall be complied with by the designated airline(s) of the other Party, while entering, within, and departing from the territory of the first Party.

(2) The laws and regulations of each Party relating to the admission to, presence within, and departure from its territory of passengers, crew, baggage, cargo and mail shall be applicable to the designated airline(s) of the other Party, and the passengers, crew, baggage, cargo and mail carried by such airline(s), while entering, within and departing from the territory of the first Party.

(3) Each Party shall promptly supply to the other Party at the latter's request the texts of the laws and regulations referred to in paragraphs (1) and (2) of this Article.

Article 6

Technical Services and Charges

(1) Each Party shall designate in its territory regular airports and alternate airports to be used by the designated airline(s) of the other Party for the operation of the agreed services, and shall provide the latter with such communications, navigational, meteorological and other auxiliary services in its territory as

are required for the operation of the agreed services, as set forth in Annex III to this Agreement.

(2) The designated airline(s) of each Party shall be charged for the use of airports, equipment and technical services of the other Party at fair and reasonable rates. Neither Party shall impose on the designated airline(s) of the other Party rates higher than those imposed on any other foreign airline operating international air service.

(3) All charges referred to in paragraph (2) of this Article imposed on the designated airline(s) of the other Party may reflect, but shall not exceed, an equitable portion of the full economic cost of providing the facilities or services in question. Facilities and services for which charges are levied shall be provided on an efficient and economic basis. Reasonable notice shall be given prior to changes in charges. Each Party shall encourage consultations between the competent charging authorities in its territory and the airline(s) using the services and facilities, and shall encourage the competent charging authorities and the airline(s) to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges.

Article 7

Safety

(1) Mutually acceptable aeronautical facilities and services shall be provided by each Party for the operation of the agreed services, which facilities and services shall at least equal the minimum standards which may be established pursuant to the Convention, to the extent that such minimum standards are applicable.

(2) Each Party shall recognize as valid, for the purpose of operating the agreed services, certificates of airworthiness, certificates of competency, and licenses issued or rendered valid by the other Party and still in force, provided that the requirements for such certificates or licenses at least equal the minimum standards which may be established pursuant to the Convention. Each Party may, however, refuse to recognize as valid, for the purpose of flight above its own territory, certificates of competency and licenses granted to or rendered valid for its own nationals by the other Party.

(3) Each Party may request consultations concerning the safety and security standards maintained by the other Party relating to aeronautical facilities and services, crew, aircraft and operations of the designated airlines. If, following such consultations, one Party is of the view that the other Party does not effectively maintain and administer safety and security standards and requirements in these areas that at least equal the minimum standards which may be established pursuant to the Convention, to the extent that they are applicable, the other Party shall be informed of such views together with suggestions for appropriate action. Each Party reserves its rights under Article 4 of this Agreement.

Article 8

Aviation Security

The Parties reaffirm their grave concern about acts or threats against the security of

aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air services and undermine public confidence in the safety of civil aviation. The Parties agree to implement appropriate aviation security measures and to provide necessary aid to each other with a view to preventing hijackings and sabotage to aircraft, airports and air navigation facilities and threats to aviation security. When incidents or threats of hijackings or sabotage against aircraft, airports or air navigation facilities occur, the Parties shall assist each other by facilitating communications intended to terminate such incidents rapidly and safely. Each Party shall give sympathetic consideration to any request from the other Party for special security measures for its aircraft or passengers to meet a particular threat.

ARTICLE 9

Representative Offices

(1) For the operation of the agreed services on the specified route(s), the designated airline(s) of each Party shall have the right to set up representative offices at the points on the specified route(s) within the territory of the other Party. The staff of the representative offices referred to in this paragraph shall be subject to the laws and regulations in force in the country where such offices are located.

(2) Each Party shall to the maximum extent practicable ensure the safety of the representative offices and their staff members of the designated airline(s) of the other Party, as well as safeguard their aircraft, stores, and other properties in its territory for use in the operation of the agreed services.

(3) Each Party shall extend assistance and facilities to the representative offices and their staff members of the designated airline(s) of the other Party as necessary for the efficient operation of the agreed services.

(4) The designated airline(s) of each Party shall have the right to convert and remit to its country at any time on demand local revenues in excess of sums locally disbursed. Conversion and remittance shall be effected without restrictions at the prevailing rate of exchange in effect for current transactions and remittance and shall be exempt from taxation on the basis of reciprocity. Wherever the payments system between the Parties is governed by a special agreement, that special agreement shall apply.

ARTICLE 10

Personnel

(1) The crew members of the designated airline(s) of either Party on flights into and out of the territory of the other Party shall be nationals of the Party designating such airline(s). If a designated airline of either Party desires to employ crew members of any other nationality on flights into and out of the territory of the other Party, prior approval shall be obtained from that other Party.

(2) The staff of the representative offices of the designated airline(s) of each party in the territory of the other Party shall be nationals of either Party, unless otherwise agreed. The number of such staff shall be subject to the approval of the competent authorities of both

Parties. Each designated airline shall be permitted such number of staff as is adequate to perform the functions described in this Agreement associated with the provision of the agreed services, and in no event shall be less than that permitted to any foreign airline performing comparable services. Each Party shall by diplomatic note notify the other Party of the authorities which shall be considered the competent authorities for purposes of this paragraph.

ARTICLE 11

Market Access

(1) Matters relating to ground handling pertaining to the operation of the agreed services may be agreed upon between the airlines of both Parties, subject to the approval of the aeronautical authorities of both Parties.

(2) The sale, in the territory of each Party, of air transportation on the agreed services of the designated airline(s) of the other Party shall be effected through a general sales agent(s). The designated airline(s) of each Party shall serve as general sales agent(s) for the designated airline(s) of the other Party unless such airline(s) is offered and declines such agency. The terms and conditions of each general sales agency agreement shall be subject to the approval of the aeronautical authorities of both Parties. The Parties shall ensure that, if either Party designates a second airline for provision of the agreed services, both designated airlines shall be given the opportunity to act as general sales agents for the designated airline(s) of the other Party on the same terms and conditions.

(3) Notwithstanding paragraph (2) of this Article, the designated airline(s) of each Party, in its representative office(s) in the territory of the other Party, may sell air transportation on the agreed services and on all of its other services, directly or through the agents of its own appointment. Any person shall be free to purchase such transportation in the currency of that territory or, in accordance with applicable law, in foreign exchange certificates or freely convertible currencies. In addition the representative office(s) may be used for management, informational, and operational activities of the designated airline(s).

(4) The general sales agent for a designated airline appointed in accordance with paragraph (2) of this Article shall be responsive to the preferences expressed by the traveling and shipping public regarding airline selection, class of services and other related matters.

ARTICLE 12

Capacity and Carriage of Traffic

(1) The designated airlines of both Parties shall be permitted to provide capacity in operating the agreed services as agreed by the Parties and set forth in Annex V of the Agreement. Within two and one-half years after the commencement of any agreed service under this Agreement, the Parties shall consult with a view to reaching a new agreement which shall apply to the provision of capacity.

(2) In keeping with the principles set forth in the Preamble to this Agreement, each Party shall take all appropriate action to en-

sure that there exist fair and equal rights for the designated airlines of both Parties to operate the agreed services on the specified routes so as to achieve equality of opportunity, reasonable balance and mutual benefit.

(3) The agreed services to be operated by the designated airlines of the Parties shall have as their primary objective the provision of capacity adequate to meet the traffic requirements between the territories of the two Parties. The right to embark on or disembark from such services international traffic destined for or coming from points in third countries shall be subject to the general principle that capacity shall be related to:

(a) traffic requirements to and from the territory of the Party which has designated the airline and traffic requirements to and from the territory of the other Party;

(b) the requirements of through airline operation; and

(c) the traffic requirements of the area through which the airline passes after taking account of local and regional services.

(4) Each Party and its designated airline(s) shall take into consideration the interests of the other Party and its designated airline(s) so as not to affect unduly the services which the latter provides.

(5) If, after a reasonable period of operation, either Party believes that a service by a designated airline of the other Party is not consonant with any provision of this Article, the Parties shall consult promptly to settle the matter in a spirit of friendly cooperation and mutual understanding.

(6) If, at any time, either Party is of the view that traffic is not reasonably balanced, that Party may request consultations with the other Party for the purpose of remedying the imbalanced situation in a spirit of friendly cooperation and equality and mutual benefit.

ARTICLE 13

Pricing

(1) Each Party may require the filing with its aeronautical authorities of fares to be charged for transportation of passengers to and from its territory. Such filing shall be made sixty (60) days prior to the date on which the fares are proposed to go into effect. In addition, the aeronautical authorities of both Parties agree to give prompt and sympathetic consideration to short-notice filings. If the competent authorities of a Party are dissatisfied with a fare, they shall notify the competent authorities of the other Party as soon as possible, and in no event more than thirty (30) days after the date of receipt of the filing in question. The competent authorities of either Party may then request consultations which shall be held as soon as possible, and in no event more than thirty (30) days after the date of receipt of the request by the competent authorities of the other Party. If agreement is reached during consultations, the competent authorities of each Party shall ensure that no fare inconsistent with such agreement is put into effect. If agreement is not reached during consultations, the fare in question shall not go into effect, and the fare previously in force shall remain effective until a new fare is established.

(2) If the competent authorities do not express dissatisfaction within thirty (30) days after the date of receipt of the filing of a fare made in accordance with paragraph (1) above, it shall be considered as approved.

(3) Notwithstanding paragraph (1) above, each Party shall permit any designated airline to file and institute promptly, using short-notice procedures, if necessary, a fare for scheduled passenger services between a point or points in the United States of America and a point or points in the People's Republic of China, provided that:

(a) the fare is subject to terms and conditions as agreed in Annex IV to this Agreement, and such fare would not be less than 70 percent of the lowest normal economy fare approved for sale by any designated airline for travel between the same point or points in the United States of America and the same point or points in the People's Republic of China; or

(b) the fare on the specified route(s) (hereinafter, the matching fare) represents a reduction of an approved fare but is not below any approved fare or any combination of fares, whether or not approved, for the provision of international air service between the United States of America and the People's Republic of China (hereinafter, the matched fare), and is subject to similar terms and conditions as the matched fare, except those conditions relating to routing, connections, or aircraft type, provided that:

(i) if the matched fare is for services provided in whole or in part by a designated airline over the specified route(s), the designated airline(s) of the other Party shall be permitted to institute a matching fare over the specified route(s);

(ii) if the matched fare is for services provided in whole or in part by a designated airline over a route(s) other than the specified route(s), the designated airline(s) of the other Party shall be permitted to institute a matching fare over the specified route(s) which is not less than 70 percent of the lowest comparable approved fare, excluding discount fares;

(iii) if the matched fare is offered solely by a non-designated airline(s) over the specified route(s), a designated airline shall be permitted to institute a matching fare over the specified route(s) which is not less than 70 percent of the lowest comparable approved fare, excluding discount fares; and,

(iv) if the matched fare is offered solely by a non-designated airline(s) over a route other than the specified route(s), a designated airline shall be permitted to institute a matching fare over the specified route(s) which is not less than 80 percent of the lowest comparable approved fare, excluding discount fares.

The Parties shall review the practice of matching of fares before the end of three years after commencement of any agreed service.

Each Party also agrees to apply subparagraph (b), *mutatis mutandis*, to fares of the designated airline(s) of the other Party for the provision of international air service between the territory of the first Party and a third country.

If, under the terms of subparagraph (b), a designated airline institutes a lower normal economy fare than the fare, or fares, put into effect pursuant to paragraph (1) of this Article.

the normal economy fare for the purpose of establishing the 30 percent zone of pricing flexibility set forth in subparagraph (a) shall remain unchanged absent mutual agreement of both Parties.

Nothing in subparagraph (a) or (b) shall be construed as requiring a designated airline to institute any specific fare.

(4) (a) Each Party may require the filing with its aeronautical authorities of rates to be charged for transportation of cargo to and from its territory by the designated airline(s) of the other Party. Such filing shall be made forty-five (45) days prior to the date on which the rates are proposed to go into effect. In addition, the aeronautical authorities of both Parties agree to give prompt and sympathetic consideration to short-notice filings of the designated airlines.

(b) The competent authorities of each Party shall have the right to disapprove cargo rates. Notices of disapproval shall be given within twenty-five (25) days after receipt of the filing. A rate which has been disapproved shall not go into effect, and the rate previously in force shall remain effective until a new rate is established.

(c) A Party shall not require the designated airline(s) of the other Party to charge rates different from those it authorizes for its own airline(s) or those of other countries.

(5) Notwithstanding the provisions of this Article, each Party shall permit any designated airline to file and institute promptly, using short-notice procedures, if necessary, a fare or rate identical to that offered by any other designated airline in accordance with the provisions of this Article for transportation between the same points and subject to comparable terms and conditions.

(6) Each Party shall by diplomatic note notify the other Party of the authorities which shall be considered the competent authorities for purposes of this Article.

ARTICLE 14

Customs Duties and Taxes

(1) Aircraft of the designated airline(s) of either Party engaged in the operation of the agreed services, as well as their regular equipment, spare parts, fuel, oils (including hydraulic fluids), lubricants, aircraft stores (including food, beverages, liquor, tobacco and other products for sale to or use by passengers in limited quantities during the flight) and other items intended for or used solely in connection with the operation or servicing of the aircraft, which are retained on board such aircraft shall be exempt on the basis of reciprocity from all customs duties, inspection fees and other national charges on arrival in and departure from the territory of the other Party.

(2) The following shall also be exempt on the basis of reciprocity from all customs duties, inspection fees and other national charges, with the exception of charges based on the actual cost of the service provided:

(a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on aircraft of a designated airline of the other Party engaged in the operation of the agreed services, even when these stores are to be

used on a part of the journey performed over the territory of the Party in which they are taken on board.

(b) ground equipment and spare parts including engines introduced into the territory of a Party for the servicing, maintenance or repair of aircraft of a designated airline of the other Party used in the operation of the agreed services; and

(c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of a designated airline of the other Party engaged in the operation of the agreed services, even when these supplies are to be used on a part of the journey performed over the territory of the Party in which they are taken on board.

(3) Aircraft stores, equipment and supplies referred to in paragraph (1) of this Article retained on board the aircraft of the designated airline(s) of either Party engaged in the operation of the agreed services may be unloaded in the territory of the other Party with the approval of the customs authorities of that other Party. The aircraft stores, equipment and supplies unloaded, as well as aircraft stores, equipment and supplies introduced into the territory of the other Party referred to in paragraph (2) of this Article, shall be subject to the supervision or control of the said authorities, and if required to fair and reasonable storage charges, up to such time as they are re-exported or otherwise disposed of in accordance with the regulations of such authorities.

(4) The exemptions provided for by this Article shall also be available where a designated airline of one Party has contracted with another airline, which similarly enjoys such exemptions from the other Party, for the loan in the territory of the other Party of the items specified in paragraphs (1) and (2) of this Article. The treatment by a Party of a sale of any such item within its territory shall be determined by agreement of the Parties.

(5) Each Party shall use its best efforts to secure for the designated airline(s) of the other Party, on the basis of reciprocity, an exemption from taxes, charges and fees imposed by state or provincial, regional and local authorities on the items specified in paragraphs (1) and (2) of this Article, as well as an exemption from fuel through-put charges, in the circumstances designated in this Article, with the exception of charges based on the actual cost of the services provided.

ARTICLE 15

Provision of Statistics

The aeronautical authorities of both Parties will consult from time to time concerning, and will provide, as agreed, statistics of traffic carried on the agreed services between the two countries.

ARTICLE 16

Consultations

(1) The Parties shall ensure the correct implementation of, and satisfactory compliance with, the provisions of this Agreement in a spirit of close cooperation and mutual support. To this end, the aeronautical authorities of the

Parties shall consult each other from time to time.

(2) Either Party may, at any time, request consultations relating to this Agreement. Such consultations shall begin at the earliest possible date, in no event later than sixty (60) days from the date the other Party receives the request unless otherwise agreed.

(3) If any dispute arises between the Parties relating to the interpretation or application of this Agreement, the Parties shall, in a spirit of friendly cooperation and mutual understanding, settle it by negotiation or, if the parties so agree, by mediation, conciliation, or arbitration.

ARTICLE 17

Modification or Amendment

(1) If either of the Parties considers it desirable to modify or amend any provision of this Agreement or its annexes, it may at any time request consultations with the other Party, and such consultations shall begin within a period of ninety (90) days from the date of receipt of the request by the other Party unless both Parties agree to an extension of this period.

(2) Any modification or amendment to this Agreement or its annexes agreed upon as a result of the consultations referred to in paragraph (1) of this Article shall come into force when it has been confirmed by an exchange of notes through diplomatic channels.

ARTICLE 18

Entry into Force and Termination

This Agreement shall enter into force on the date of its signature and shall remain in force for three years. Thereafter, it shall continue in force but may be terminated by either Party by giving twelve months' written notice to the other Party of its intention to terminate.

DONE at Washington, this seventeenth day of September 1980 in duplicate, each copy in the English and Chinese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA.

JIMMY CARTER

FOR THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA:

BU YIBO

ANNEX I

I. First Route

A. For the United States of America:

The first airline designated by the United States of America shall be entitled to operate the agreed services on the following route, in both directions:

New York, San Francisco, Los Angeles, Honolulu, Tokyo or another point in Japan, Shanghai, Beijing.

B. For the People's Republic of China

The first airline designated by the People's Republic of China shall be entitled to operate the agreed services on the following route, in both directions:

Beijing, Shanghai, Tokyo or another point in Japan, Honolulu, Los Angeles, San Francisco, New York. Anchorage may be utilized as a technical stop in both directions on this route.

II. Second Route

The Parties shall consult during the first two years following the commencement of any agreed service to decide on a route for operation by the second designated airline of each Party. If the Parties have been unable to agree upon a second route by the end of the second year, the second designated airline of each Party shall be entitled to commence operation of the agreed services on the first route in both directions, and to operate such services thereafter until the Parties agree upon a second route. In such circumstances, the Parties shall continue to consult and to exercise their maximum effort to reach agreement upon a second route, it being understood that the establishment of a second route is a mutually shared objective of both Parties. In the meantime, the Parties shall take overall review of the specified routes.

III. Extra Section

In case any of the designated airline(s) of either Party desires to operate additional sections on its specified route(s), it shall submit application to the aeronautical authorities of the other Party three (3) days in advance of such operation, and the additional sections can be commenced only after approvals have been obtained therefrom.

Notes

(1) On or after the effective date of this Agreement, each Party is entitled to designate one airline for operation of the agreed services. Beginning two years after the commencement of any agreed service, a second designated airline of each Party may also commence the operation of the agreed services. If either Party does not designate a second airline, or if its second designated airline does not commence or ceases to operate any service, that Party may authorize its first designated airline to operate the agreed services in all respects as if it were also designated as a second airline.

(2) Each designated airline may at its option omit any point or points on the above routes on any or all flights in either or both directions, provided, however, that the agreed service it operates begins or terminates at a point on the specified route in the territory of the Party designating the airline.

(3) Before operation of service through another point in Japan, referred to in Section I of this Annex, that point shall be agreed upon by the Parties. If a designated airline of either Party desires to change the point served in Japan, that airline shall furnish six (6) months' notice to the aeronautical authorities of the other Party. Such change shall be subject to the concurrence of that other Party.

(4) Subject to the provisions of Annex V, the designated airline(s) of each Party may make a change of gauge in the territory of the other Party or at an intermediate point or points on the specified route(s) provided that:

(a) operation beyond the point of change of gauge shall be performed by an aircraft having capacity less, for outbound services, or more, for inbound services, than that of the arriving aircraft.

(b) aircraft for such operations shall be scheduled in coincidence with the outbound or inbound aircraft, as the case may be, and may have the same flight number; and

(c) if a flight is delayed by operational or mechanical problems, the onward flight may operate without regard to the conditions in subparagraph (b) of this paragraph.

ANNEX II

Charter Air Transportation

(1) In addition to the operation of the agreed services by the designated airlines of the two Parties, any airline(s) of one Party may request permission to operate passenger and/or cargo (separately or in combination) charter flights between the territories of the Parties as well as between a third country and the territory of the Party to which the requests are addressed. Each Party may provide to the other Party by diplomatic note a list of airlines qualified under the laws of the first Party to provide charter air transportation.

(2) The application for charter flight(s) shall be filed with the aeronautical authorities of the other Party at least fifteen (15) days before the anticipated flight(s). The flight(s) can be operated only after permission has been obtained. Permission shall be granted without undue delay in the spirit of equality of opportunity for the airlines of both Parties to operate international charter air transportation, mutual benefit and friendly cooperation.

(3) The aeronautical authorities of each Party shall minimize the filing requirements and other administrative burdens applicable to charterers and airlines of the other Party. In this connection, the charterers and airline of a Party shall not be required by the other Party to submit more than the following information in support of a request for permission to operate a charter flight or series of flights:

- (a) Purpose of flight;
- (b) Nationality of registration, owner and operator of aircraft;
- (c) Type of aircraft;
- (d) Either (i) identification marks and call signs of the aircraft, or (ii) flight number;
- (e) Name of captain and number of crew members;
- (f) The proposed flight plan (the air route, date, hours and destination);
- (g) The identity of the charterer or charterers;
- (h) The number of passengers, and/or the weight of cargo, on board; and
- (i) The price charged by the airline to each charterer.

The information contained in the application for charter flight(s) and required by subparagraphs (d), (e) and (h) may be changed.

subject to notification prior to each flight. Such changes shall be contained in the flight plan.

(4) In the event that either Party should have reasons to disapprove a particular charter flight or series of charter flights, it shall, under normal circumstances, give timely notification of the reasons therefor, and the applicant may, where appropriate, resubmit an application for approval of the requested flight or flights.

(5) Neither Party shall require the filing by airlines of the other Party of prices charged to the public for charter transportation originating in the territory of the other Party, or a third country.

(6) The provisions of Articles 2(4), 4, 5, 6, 7, 8, 9(2) and (4), 10, 11(1), and 14 and Annex III of this Agreement shall apply, *mutatis mutandis*, to charter air transportation.

ANNEX III

Technical Services

I. Airports for Scheduled Service

(1) In accordance with Article 6, paragraph (1) of this Agreement, airlines designated by the Government of the People's Republic of China are assigned the following regular and alternate airports in the United States:

Regular Airports

New York, New York:
JFK International Airport
Los Angeles, California:
Los Angeles International Airport
San Francisco, California:
San Francisco International Airport
Honolulu, Hawaii:
Honolulu International Airport
Anchorage, Alaska:
Anchorage International Airport

Alternate Airports

Baltimore, Maryland:
Baltimore-Washington International Airport
Boston, Massachusetts:
Logan International Airport
Newark, New Jersey:
Newark International Airport
Philadelphia, Pennsylvania:
Philadelphia International Airport
Pittsburgh, Pennsylvania:
Greater Pittsburgh Airport
Moses Lake, Washington:
Grant County Airport
Oakland, California:
Metropolitan Oakland International Airport
Ontario, California:
Ontario International Airport
Stockton, California:
Stockton Metropolitan Airport
Hilo, Hawaii:
Hilo International/General Lyman Airport
Seattle, Washington:
Sea-Tac International Airport
Kansas City, Kansas:
Kansas City International Airport
Fairbanks, Alaska:
Fairbanks International Airport
Washington, D.C.:
Dulles International Airport

(2) In accordance with Article 6, paragraph (1) of this Agreement, airlines designated by the Government of the United States of America are assigned the following regular and alternate airports in China:

Regular Airports

Beijing:
Capital Airport
Shanghai:
Hongqiao Airport

Alternate Airports

Guangzhou:
Baiyun Airport
Hangzhou:
Jianqiao Airport
Tianjin:
Zhangguizhuang Airport

II. Airports for Charter Air Transportation

Aircraft of the airline(s) of each Party engaged in the operation of charter air transportation approved by the aeronautical authorities of the other Party may utilize airports appropriately identified in the Aeronautical Information Publication of that other Party as available for international flights, and such other airports as may be approved by such aeronautical authorities.

III. Air Routes

All flight operations by aircraft of the designated airline(s) of one Party operated in the airspace of the other Party shall be over established airways/prescribed routes or as cleared by the appropriate air traffic control service. Each Party will make reasonable efforts to ensure that air routes entering and within their sovereign airspace are as direct as practicable in the interest of economy, efficiency and fuel conservation, including the establishment of arrangements with controlling authorities of adjacent airspace as appropriate.

IV. Aeronautical Information

(1) The aeronautical authorities of both Parties shall provide each other with their Aeronautical Information Publication.

(2) Amendments and additions to the Aeronautical Information Publication shall be sent promptly to the aeronautical authorities of the other Party.

(3) The International NOTAM Code shall be used in the transmission of Notices to Airmen (NOTAMs). When the NOTAM code is not suitable, plain English shall be used. Urgent NOTAMs shall be transmitted by the quickest available means to the aeronautical authorities of the other Party.

(4) Aeronautical information and NOTAMs shall be made available in the English language.

V. Meteorological Services

Mutually acceptable meteorological service shall be provided in accordance with standards and recommended practices, to the extent to which they are applicable, developed pursuant to the Convention of the World Meteorological Organization and International Civil Aviation Organization.

VI. Radio Navigation and Communication

(1) For the operation of agreed services on the specified routes, the Parties recognize the requirement for the establishment of point-to-point aeronautical communications between the two countries. The Parties shall hold consultations as to the measures and procedures for the establishment of such communications.

(2) The English language and internationally accepted codes and procedures in force shall be applied in air-ground and point-to-point communications.

ANNEX IV

Conditions of Discount Fares

Discount fares within the zone of pricing flexibility described in paragraph (3) of Article 13 of this Agreement shall be subject to conditions of the type generally applicable to same or similar fares in other international air transportation markets. Such discount fares shall be subject to conditions in not less than four of the following categories:

- Round trip requirements;
- Advance-purchase requirements;
- Minimum-Maximum length of stay requirements;
- Stopover restrictions;
- Stopover charges;
- Transfer limitations;
- Cancellation refund penalties;
- Group size restrictions;
- Return travel conditions;
- Ground package requirements.

ANNEX V

Capacity and Carriage of Traffic

(1) The Parties agree that each designated airline shall have the right to operate two frequencies per week. If a Party does not designate a second airline, its first designated airline shall, upon the commencement of service by the second airline of the other Party or upon the passage of two years from the commencement of any agreed service, whichever is earlier, be entitled to add to its operation two frequencies per week. For purposes of this Agreement a frequency is: one (1) round trip flight of an aircraft having a maximum certificated take-off gross weight not less than 710,000 pounds but not more than 800,000 pounds; one and one-half (1½) round trip flights of an aircraft having a maximum certificated take-off gross weight equal to or greater than 430,000 pounds but less than 710,000 pounds; and two (2) round trip flights of an aircraft having a maximum certificated take-off gross weight less than 430,000 pounds. If a designated airline uses only aircraft having a maximum certificated take-off gross weight of less than 710,000 pounds, it shall be entitled to one additional round trip flight of an all-freight configured aircraft having a maximum certificated take-off gross weight of less than 430,000 pounds for every two frequencies. All unused frequencies may be accumulated by a designated airline and used at its discretion at any time. Any increase in frequencies during the

first three years after commencement of any agreed service in excess of the frequencies as mentioned above shall be subject to prior consultation and agreement between the Parties.

(2) With a view to realizing the objectives set forth in Article 12, paragraph (2), the Parties agree that there should be a reasonable balance of the traffic carried by their respective designated airline(s) on the specified route(s) in terms of number of passengers and tons of cargo taken up and put down in the territory of the other Party.

The consultations referred to in Article 12, paragraph (6) shall take place as soon as possible, and in no event later than thirty (30) days following the date of receipt of the request by the latter Party. The Parties shall undertake to reach agreement within thirty (30) days as to effective measures for remedying the imbalanced situation and fully implement such agreed measures. In considering the measures to be undertaken, the Parties shall take into account all relevant factors, including commercial decisions of the designated airlines, load factors and actions of third parties. In case the agreed measures fail to remedy the imbalance within three months after their implementation, the Parties shall meet together to look into the cause of such failure and agree upon measures for remedying the imbalanced situation. In case the Parties fail to reach agreement on effective remedial measures, they shall look into the cause of the imbalance and consider amendments to this Agreement which may be required to eliminate such cause.

(3) The provision of paragraph (2) of this Annex is valid for three years from the date of commencement of any service under this Agreement. Not later than six months prior to the end of this three-year period, the Parties shall consult with a view to agreeing to the means to achieve reasonable balance of traffic referred to in paragraph (2) of this Annex.

Beijing
September 8, 1980

Mr. Lin Zheng
Leader
Civil Aviation Delegation
of the Government of China

Dear Mr. Lin:

I have the honor to refer to the Agreement between the Government of the United States of America and the Government of the People's Republic of China relating to Civil Air Transport initiated today by our two governments. During the course of negotiations leading to the initialing of the Agreement, both sides discussed questions relating to the conduct of business in the territory of the other Party and other operational matters of the designated airlines. I understand that agreement was reached that the designated airline(s) of each Party shall have, in the territory of the other Party, the rights and privileges as set forth below:

1. With respect to the representative office(s) referred to in Article 11, paragraph (3) of the Agreement, the designated airline(s) of each Party shall have:

(a) the right to issue, reissue, reconfirm and exchange tickets for transportation on the

agreed services, for connecting air services, and for transportation over any other route or routes outside of the agreed services which are operated by such airline(s); and

(b) the right to make, reconfirm, or change reservations for passengers wishing to travel over the routes of such airline(s) whether or not such reservations are for transportation on the agreed services.

2. The designated airline(s) of each Party shall also have the right to import, maintain, store, and distribute informational materials (including, but not limited to, time tables, schedules, brochures, sales and tour literature, calendars, displays, etc.) and to advertise in the same manner and through the same or similar media as the designated airline(s) of the other Party.

3. With respect to operational matters, the designated airline(s) of each Party shall have:

(a) the right to import, install, and operate telex, computer, VHF radio, and hand-held radio sets (walkie talkie) and related equipment for reservations, load planning and management, and for other operational purposes, subject to the approval of the appropriate authorities, where necessary;

(b) the right to supervise load planning and actual loading and unloading of its aircraft through its own employees or representatives;

(c) the right to import company-owned vehicles and to operate such vehicles on airport roadways and aircraft servicing ramps, subject to the approval of the appropriate authorities, where necessary;

(d) the right to inspect fuel storage and fuel pumping equipment on a quarterly basis and take samples at each source for export and subsequent laboratory analysis; and

(e) the right to film, under whatever supervision is necessary, the aircraft approach view to the runways of all regular airports and alternate airports contemplated for the operation of the agreed services, for purposes of pilot training, subject to the approval of the appropriate authorities.

4. Each Party grants to the other Party the assurance that the following authorizations, permits, and information will be provided, on the basis of reciprocity, in a timely fashion to each airline designated to operate the agreed services:

(a) airport security permits for assigned foreign and locally employed company staff authorizing them to move freely beyond airport customs and immigration screens into the terminal loading areas and onto the airport ramp areas;

(b) written information on the procedures to be employed by the airport authorities at each regular airport and alternate airport contemplated for the operation of the agreed services in the event of an emergency such as a crash, a hijacking, or a bomb threat, establishing the order of action in a given situation for units responsible for tower control, firefighting, medical assistance and transportation, perimeter security and other emergency and security functions in effect; and

(c) written information on aeronautical laws, including the rules and regulations thereunder and amendments thereto, each designated airline is expected to follow.

5. The appropriate authorities of each Party shall use their best efforts to assist the designated airline(s) of the other Party to receive housing for the staff of such airline(s) comparable in cost and quality to the best obtained by or provided to other foreign airlines.

6. The designated airline(s) of each Party shall have the right to train the personnel of any appointed agent in the procedures of that airline for passenger, cargo, and aircraft handling and in procedures relating to reservations, ticketing, marketing, management, and sales promotion, subject to prior agreement.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

I would be grateful for your confirmation that this is also your understanding of the agreement we have reached.

Sincerely,

B. BOYD HIGHT
Chairman
Civil Aviation Delegation
of the Government
of the United States

Attachment: Initialed Translation

Beijing
September 8, 1980

Mr. B. Boyd Hight
Chairman
Civil Aviation Delegation of
the Government of the United States

Dear Mr. Hight:

I have the honor to refer to the Civil Air Transport Agreement initialed today by our two governments and to your letter of today's date which reads as follows:

"I have the honor to refer to the Agreement between the Government of the United States of America and the Government of the People's Republic of China relating to Civil Air Transport initialed today by our two governments. During the course of negotiations leading to the initialing of the Agreement, both sides discussed questions relating to the conduct of business in the territory of the other Party and other operational matters of the designated airlines. I understand that agreement was reached that the designated airline(s) of each Party shall have, in the territory of the other Party, the rights and privileges as set forth below:

1. With respect to the representative office(s) referred to in Article 11, paragraph (3) of the Agreement, the designated airline(s) of each Party shall have:

(a) the right to issue, reissue, reconfirm and exchange tickets for transportation on the agreed services, for connecting air services, and for transportation over any other route or routes outside of the agreed services which are operated by such airline(s); and

(b) the right to make, reconfirm, or change reservations for passengers wishing to travel over the routes of such airline(s) whether or not such reservations are for transportation on the agreed services.

2. The designated airline(s) of each Party shall also have the right to import, maintain,

and distribute informational materials, including, but not limited to, time tables, schedules, brochures, sales and tour literature, calendars, displays, etc.) and to advertise in the same manner and through the same or similar media as the designated airline(s) of the other Party.

3. With respect to operational matters, the designated airline(s) of each Party shall have:

(a) the right to import, install, and operate telex, computer, VHF radio, and hand-held radio sets (walkie talkie) and related equipment for reservations, load planning and management, and for other operational purposes, subject to the approval of the appropriate authorities, where necessary;

(b) the right to supervise load planning and actual loading and unloading of its aircraft through its own employees or representatives;

(c) the right to import company-owned vehicles and to operate such vehicles on airport roadways and aircraft servicing ramps, subject to the approval of the appropriate authorities, where necessary;

(d) the right to inspect fuel storage and fuel pumping equipment on a quarterly basis and take samples at each source for export and subsequent laboratory analysis; and

(e) the right to film, under whatever supervision is necessary, the aircraft approach view to the runways of all regular airports and alternate airports contemplated for the operation of the agreed services, for purposes of pilot training, subject to the approval of the appropriate authorities.

4. Each Party grants to the other Party the assurance that the following authorizations, permits, and information will be provided, on the basis of reciprocity, in a timely fashion to each airline designated to operate the agreed services:

(a) airport security permits for assigned foreign and locally employed company staff authorizing them to move freely beyond airport customs and immigration screens into the terminal loading areas and onto the airport ramp areas;

(b) written information on the procedures to be employed by the airport authorities at each regular airport and alternate airport contemplated for the operation of the agreed services in the event of an emergency such as a crash, a hijacking, or a bomb threat, establishing the order of action in a given situation for units responsible for tower control, firefighting, medical assistance and transportation, perimeter security and other emergency and security functions in effect; and

(c) written information on aeronautical laws, including the rules and regulations thereunder and amendments thereto, each designated airline is expected to follow.

5. The appropriate authorities of each Party shall use their best efforts to assist the designated airline(s) of the other Party to receive housing for the staff of such airline(s) comparable in cost and quality to the best obtained by or provided to other foreign airlines.

6. The designated airline(s) of each Party shall have the right to train the personnel of any appointed agent in the procedures of that airline for passenger, cargo, and aircraft han-

dling and in procedures relating to reservations, ticketing, marketing, management, and sales promotion, subject to prior agreement.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

I would be grateful for your confirmation that this is also your understanding of the agreement we have reached."

I have the honor to confirm that the above constitutes an agreed understanding between our two governments concerning the rights of the designated airline(s) of each Party in the territory of the other Party.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,
LIN ZHENG
Leader
Civil Aviation Delegation
of the Government
of China

Beijing
September 8, 1980

Mr. B. Boyd Hight
Chairman
Civil Aviation Delegation
of the Government of the United States

Dear Mr. Hight:

I have the honor to refer to the Agreement between the Government of the People's Republic of China and the Government of the United States of America Relating to Civil Air Transport, initiated today by our two governments. During the course of negotiations leading to the initialing of the Agreement, both sides discussed questions relating to the utilization of full traffic rights at a point or points in Japan in the operation of the agreed services. It is my understanding that agreement was reached that the utilization of full traffic rights at Japan by the designated airlines of both sides shall be governed by the following terms:

(1) The first designated airline of each Party, unless otherwise agreed, shall be permitted to operate two frequencies¹ with full traffic rights at Japan immediately upon the commencement of the agreed services. Two years following the commencement of any agreed service, the second designated airline of each Party, unless otherwise agreed, shall be permitted to operate two frequencies with full traffic rights at Japan. These rights shall continue until otherwise agreed by the Parties.

(2) If, two years after the commencement of any agreed service, the United States does not designate a second airline, or if one of the United States' two designated airlines does not operate all of the Japan frequencies authorized by paragraph (1) above, the Parties shall consult with a view to agreeing on the utilization of the unused Japan frequencies by the United States.

¹For the purposes of this understanding, "frequency" shall have the same meaning as that set forth in Annex V, paragraph (1) of the Agreement.

(3) The designated airline(s) of the People's Republic of China shall operate more than two Japan frequencies only if, and to the same extent that, the designated airline(s) of the United States are operating singly or in combination more than two Japan frequencies.

(4) Not later than two and one-half years following the commencement of any agreed service, the Parties shall review their respective utilization of Japan frequencies. If, upon such review, the number of Japan frequencies operated by the U.S. designated airline(s) exceeds the number of Japan frequencies which the Government of the People's Republic of China and the Government of Japan have agreed upon for the Chinese designated airline(s), the Parties shall consult with a view to agreeing upon an alternative opportunity or opportunities for the Chinese designated airline(s).

(5) If, by 90 days prior to the end of the third year following the commencement of any agreed service, the Parties have not agreed upon an alternative opportunity or opportunities, the People's Republic of China shall be entitled to select point services² for operation in the fourth year and thereafter equal to the difference between the number of Japan frequencies operated by the U.S. designated airline(s) and the number of Japan frequencies authorized for the Chinese designated airline(s). The Chinese designated airline(s) shall be entitled to operate such point services at one or more intermediate and/or beyond points selected at the sole discretion of the People's Republic of China. A list of intermediate and/or beyond points so selected shall be furnished to the Government of the United States through diplomatic channels not later than 60 days prior to the commencement of operations. The number of point services operated by the Chinese designated airline(s) shall be reduced by one for each new Japan frequency which the Chinese designated airline(s) is authorized to operate subsequent to the selection of point services.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,
LIN ZHENG
Leader
Civil Aviation Delegation
of the Government
of China

Beijing
September 8, 1980

Mr. Lin Zheng
Leader
Civil Aviation Delegation
of the Government of China

Dear Mr. Lin:

I am in receipt of your letter of today's date relating to the Agreement between the Government of the United States of America and the Government of the People's Republic of China Relating to Civil Air Transport initiated today by our two governments, and

²The term "point service" means one weekly frequency with full traffic rights at a point.

more particularly relating to the utilization of full traffic rights at a point or points in Japan in the operation of the agreed services. Your letter reads as follows:

"I have the honor to refer to the Agreement between the Government of the People's Republic of China and the Government of the United States of America Relating to Civil Air Transport, initialed today by our two governments. During the course of negotiations leading to the initialing of the Agreement, both sides discussed questions relating to the utilization of full traffic rights at a point or points in Japan in the operation of the agreed services. It is my understanding that agreement was reached that the utilization of full traffic rights at Japan by the designated airlines of both sides shall be governed by the following terms:

(1) The first designated airline of each Party, unless otherwise agreed, shall be permitted to operate two frequencies¹ with full traffic rights at Japan immediately upon the commencement of the agreed services. Two years following the commencement of any agreed service, the second designated airline of each Party, unless otherwise agreed, shall be permitted to operate two frequencies with full traffic rights at Japan. These rights shall continue until otherwise agreed by the Parties.

(2) If, two years after the commencement of any agreed service, the United States does not designate a second airline, or if one of the United States' two designated airlines does not operate all of the Japan frequencies authorized by paragraph (1) above, the Parties shall consult with a view to agreeing on the utilization of the unused Japan frequencies by the United States.

(3) The designated airline(s) of the People's Republic of China shall operate more than two Japan frequencies only if, and to the same extent that, the designated airline(s) of the United States are operating singly or in combination more than two Japan frequencies.

(4) Not later than two and one-half years following the commencement of any agreed service, the Parties shall review their respective utilization of Japan frequencies. If, upon such review, the number of Japan frequencies operated by the U.S. designated airline(s) exceeds the number of Japan frequencies which the Government of the People's Republic of China and the Government of Japan have agreed upon for the Chinese designated airline(s), the Parties shall consult with a view to agreeing upon an alternative opportunity or opportunities for the Chinese designated airline(s).

(5) If, by 90 days prior to the end of the third year following the commencement of any agreed service, the Parties have not agreed upon an alternative opportunity or opportunities, the People's Republic of China shall be entitled to select point services² for operation in the fourth year and thereafter equal to the

difference between the number of Japan frequencies operated by the U.S. designated airline(s) and the number of Japan frequencies authorized for the Chinese designated airline(s). The Chinese designated airline(s) shall be entitled to operate such point services at one or more intermediate and/or beyond points selected at the sole discretion of the People's Republic of China. A list of intermediate and/or beyond points so selected shall be furnished to the Government of the United States through diplomatic channels not later than 60 days prior to the commencement of operations. The number of point services operated by the Chinese designated airline(s) shall be reduced by one for each new Japan frequency which the Chinese designated airline(s) is authorized to operate subsequent to the selection of point services.

This letter will be effective on the date the Civil Air Transport Agreement is signed."

I have the honor to confirm that the above constitutes an agreed understanding.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,

B. BOYD HIGHT
Chairman
Civil Aviation Delegation
of the Government
of the United States

Attachment: Initialed Translation

Beijing
September 8, 1980

Mr. Lin Zheng
Leader
Civil Aviation Delegation
of the Government of China

Dear Mr. Lin:

I have the honor to refer to the Civil Air Transport Agreement initialed today by our two governments. With respect to paragraph (1) of Annex V to the Agreement, it is my understanding that in case the first designated airline of the People's Republic of China does not operate more than two B-747SP aircraft per week during the period of one year following its commencement of the agreed services, for this same period the designated airline of the United States of America will limit its available capacity to an average of 120 tons of payload per week, measured quarterly. Payload will be measured by the actual tons of passenger, cargo and mail traffic, embarked or disembarked in the People's Republic of China quarterly.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,

B. BOYD HIGHT
Chairman
Civil Aviation Delegation
of the Government
of the United States

Attachment: Initialed Translation

Beijing
September 8, 1980

Mr. B. Boyd Hight
Chairman
Civil Aviation Delegation of
the Government of the United States

Dear Mr. Hight:

I am in receipt of your letter of today's date relating to the Agreement between the Government of the United States of America and the Government of the People's Republic of China relating to Civil Air Transport initialed today by our two governments, and more particularly relating to Annex V (1) setting forth a capacity regime to govern the operations of the designated airline of each Party during the first year following the commencement of the agreed services by the first designated airline of the People's Republic of China. Your letter reads as follows:

"I have the honor to refer to the Civil Air Transport Agreement initialed today by our two governments. With respect to paragraph (1) of Annex V to the Agreement, it is my understanding that in case the first designated airline of the People's Republic of China does not operate more than two B-747SP aircraft per week during the period of one year following its commencement of the agreed services, for the same period the designated airline of the United States of America will limit its available capacity to an average of 120 tons of payload per week, measured quarterly. Payload will be measured by the actual total tons of passenger, cargo and mail traffic, embarked or disembarked in the People's Republic of China quarterly.

This letter will be effective on the date the Civil Air Transport Agreement is signed."

I have the honor to confirm that the above constitutes an agreed understanding.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,
LIN ZHENG
Leader
Civil Aviation Delegation
of the Government
of China

Beijing
September 8, 1980

Mr. B. Boyd Hight
Chairman
Civil Aviation Delegation of
The Government of the United States

Dear Mr. Hight:

With reference to Annex V, paragraph (2) of the Agreement between the Government of the People's Republic of China and the Government of the United States of America relating to Civil Air Transport initialed today, I have the honor to confirm, on behalf of my Government, the following discussion between the civil aviation delegations of our two countries in the course of their negotiations.

In the operation of the agreed services on the specified routes by the designated airlines of the Parties, it is deemed that traffic

¹For the purposes of this understanding, "frequency" shall have the same meaning as that set forth in Annex V, paragraph (1) of the Agreement.

²The term "point service" means one weekly frequency with full traffic rights at a point.

will no longer be reasonably balanced whenever, on a semi-annual basis, the traffic carried by the designated airlines of one Party shall exceed 56.25 percent of the total traffic carried by the designated airlines of the two Parties.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,

LIN ZHENG
Leader
Civil Aviation Delegation
of the Government
of China

Beijing
September 8, 1980

Mr. Lin Zheng
Leader
Civil Aviation Delegation
of the Government of China

Dear Mr. Lin:

I am in receipt of your letter of today's date with respect to Annex V, paragraph (2) of the Civil Air Transport Agreement initiated today by our two governments, and acknowledge the contents therein.

This letter will be effective on the date the Civil Air Transport Agreement is signed.

Sincerely,

B. BOYD HIGHT
Chairman
Civil Aviation Delegation
of the Government
of the United States

Attachment: Initialed Translation

September 17, 1980

Mr. Lin Zheng
Leader
Civil Aviation Delegation
of the Government of China

Dear Mr. Lin:

I have the honor to confirm that the Government of the United States of America is prepared, within its authority, to make clear in its official publications and statements that "China Airlines" is an airline from Taiwan and is not the national flag carrier of China.

Sincerely,

B. BOYD HIGHT
Chairman
Civil Aviation Delegation
of the Government
of the United States

Textile Agreement

AGREEMENT RELATING TO TRADE IN COTTON, WOOL, AND MAN-MADE FIBER TEXTILES AND TEXTILE PRODUCTS BETWEEN THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA

The Government of the United States of America and the Government of the People's Republic of China, as a result of discussions concerning exports to the United States of America of cotton, wool, and man-made fiber textiles and textile products manufactured in the People's Republic of China, agree to enter into the following Agreement relating to trade in cotton, wool, and man-made fiber textiles and textile products between the United States of America and the People's Republic of China (hereinafter referred to as "the Agreement"):

1. The two Governments reaffirm their commitments under the Agreement on Trade Relations between the United States of America and the People's Republic of China as the basis of their trade and economic relations.

2. The term of the Agreement shall be the three-year period from January 1, 1980 through December 31, 1982. Each "Agreement Year" shall be a calendar year.

3. (a) The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing the Agreement.

(b) For purposes of the Agreement, categories 347, 348 and 645, 646 are merged and treated as single categories 347/348 and 645/646 respectively.

4. (a) Commencing with the first Agreement Year, and during the subsequent term of the Agreement, the Government of the People's Republic of China shall limit annual exports from China to the United States of America of cotton, wool, and man-made fiber textiles and textile products to the specific limits set out in Annex B, as such limits may be adjusted in accordance with paragraphs 5 and 7. The limits in Annex B include growth. Exports shall be charged to limits for the year in which exported. The limits set out in Annex B do not include any of the adjustments permitted under paragraphs 5 and 7.

(b) With respect to Category 340, 200,000 dozens of the quantity exported in 1979 shall be charged against the Specific Limit for that Category for the first Agreement Year.

(c) With respect to Category 645/646, 48,000 dozens of the quantity exported in 1980 will be entered without charge.

5. (a) Any specific limit may be exceeded in any Agreement Year by not more than the following percentage of its square yards equivalent total listed in Annex B, provided that the amount of the increase is compensated for by an equivalent SYE decrease in one or more other specific limits for that Agreement Year.

Category	Percentage
331	6
339	5
340	5
341	5
347/348	5
645/646	6

(b) No limit may be decreased pursuant to sub-paragraph 5 (a) to a level which is below the level of exports charged against that category limit for that Agreement Year.

(c) When informing the United States of adjustments under the provisions of this paragraph, the Government of the People's Republic of China shall indicate the category or categories to be increased and the category or categories to be decreased by commensurate quantities in square yards equivalent.

6. The Government of the People's Republic of China shall use its best efforts to space exports from China to the United States within each category evenly throughout each Agreement Year, taking into consideration normal seasonal factors. Exports from China in excess of authorized levels for each Agreement Year will, if allowed entry into the United States, be charged to the applicable level for the succeeding Agreement Year.

7. (a) In any Agreement Year, exports may exceed by a maximum of 11 percent any limit set out in Annex B by allocating to such limit for that Agreement Year an unused portion of the corresponding limit for the previous Agreement Year ("carryover") or a portion of the corresponding limit for the succeeding Agreement Year ("carryforward") subject to the following conditions:

(1) Carryover may be utilized as available up to 11 percent of the receiving Agreement Year's limits provided, however, that no carryover shall be available for application during the first Agreement Year;

(2) Carryforward may be utilized up to seven percent of the receiving Agreement Year's applicable limits and shall be charged against the immediately following Agreement Year's corresponding limits;

(3) The combination of carryover and carryforward shall not exceed 11 percent of the receiving Agreement Year's applicable limit in any Agreement Year;

(4) Carryover of shortfall (as defined in sub-paragraph 7 (b)) shall not be applied to any limits until the Governments of the United States of America and the People's Republic of China have agreed upon the amounts of shortfall involved.

(b) For purposes of the Agreement, a shortfall occurs when exports of textiles or textile products from China to the United States of America during an Agreement Year are below any specific limit as set out in Annex B, (or, in the case of any limit decreased pursuant to paragraph 5, when such exports are below the limit as so decreased). In the Agreement Year following the shortfall, such exports from China to the United States of America may be permitted to exceed the applicable limits, subject to conditions of sub-paragraph 7 (a), by carryover of shortfalls in the following manner:

(1) The carryover shall not exceed the amount of shortfall in any applicable limit;

(2) The shortfall shall be used in the category in which the shortfall occurred.

(c) The total adjustment permissible under paragraph 7 for the first Agreement Year shall be seven percent consisting solely of carryforward.

10. In the event that the Government of the United States believes that imports from the People's Republic of China classified in any category or categories not covered by Specific Limits are, due to market disruption, threatening to impede the orderly development of trade between the two countries, the Government of the United States may request consultations with the Government of the People's Republic of China with a view to avoiding such market disruption. The Government of the United States of America shall provide the Government of the People's Republic of China at the time of the request with a detailed factual statement of the reasons and justification for its request for consultation, with current data, which in the view of the Government of the United States of America shows

1) the existence or threat of market disruption, and

2) the contribution of exports from the People's Republic of China to that disruption.

(b) The Government of the People's Republic of China agrees to consult with the Government of the United States within 30 days of receipt of a request for consultations. Both sides agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within 90 days of the receipt of the request, unless this period is extended by mutual agreement.

(c) During the 90 day period, the Government of the People's Republic of China agrees to hold its exports to the United States of America in the category or categories subject to this consultation to a level no greater than 35 percent of the amount entered in the latest twelve month period for which data are available.

(d) If no mutually satisfactory solution is reached during these consultations, the People's Republic of China will limit its exports in the category or categories under this consultation for the succeeding twelve months to a level of 20 percent for man-made fiber and cotton product categories (and of 6 percent for wool product categories) above the level of imports entered during the first twelve of the most recent fourteen months preceding the date of the request for consultations.

9. To prevent inadvertent or fraudulent circumvention of the Agreement, to ensure accurate record keeping, and to facilitate proper entry into the United States of the products covered by the Agreement, a Visa System shall be established as soon as practicable as an administrative arrangement under the Agreement.

10. The Government of the United States of America shall promptly supply the Government of the People's Republic of China with monthly data on imports of textiles from China, and the Government of the People's Republic of China shall promptly supply the Government of the United States of America with quarterly data on exports of China's textiles to the United States in categories for which levels have been established. Each Government agrees to supply promptly any other pertinent and readily available statistical data requested by the other Government.

11. (a) Tops, yarns, piece goods, made-up articles, garments, and other textile man-

ufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool, man-made fibers, or blends thereof, in which any or all of these fibers in combination represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to the Agreement.

(b) For purposes of the Agreement, textiles and textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of either of these fibers.

(c) Any product covered by subparagraph 11 (a) but not in chief value of cotton, wool, or man-made fiber shall be classified as: (I) cotton textiles if containing 50 percent or more by weight of cotton or if the cotton component exceeds by weight the wool and the man-made fiber components; (II) wool textiles if not cotton and the wool equals or exceeds 17 percent by weight of all component fibers; (III) man-made fiber textiles if neither of the foregoing applies.

12. The Government of the United States of America and the Government of the People's Republic of China agree to consult on any question arising in the implementation of the Agreement.

13. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this Agreement, including differences in points of procedure or operation.

14. If the Government of the People's Republic of China considers that, as a result of a limitation specified in this Agreement, China is being placed in an inequitable position vis-a-vis a third country or party, the Government of the People's Republic of China may request consultations with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this Agreement and the Government of the United States of America shall agree to hold such consultations.

15. At the request of either Government, the two Governments will undertake a major review of the Agreement at the end of the second Agreement Year.

16. Each Government will take such measures as may be necessary to ensure that the Specific Limits established for any categories under this Agreement are not exceeded. Calculations will be based on the date of export from the People's Republic of China. Neither Government shall act to restrain the trade in textile products covered by the Agreement except in accordance with the terms of the Agreement.

17. Either Government may terminate the Agreement effective at the end of any Agreement Year by written notice to the other Government to be given at least 90 days prior to the end of such Agreement Year. Either Government may at any time propose revisions in the terms of the Agreement.

DONE at Washington, in duplicate, in the English and Chinese languages, both texts being equally authentic, this seventeenth day of September, 1980.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

JIMMY CARTER

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA:

BO YIBO

ANNEX A

M and B = Men's and Boys'
W, G, and I = Women's, Girls', and Infants
n.k. = not Knit

Category	Description	Conversion Factor	Unit of Measure
YARN			
Cotton			
300	Carded	4.6	Lb.
301	Combed	4.6	Lb.
Wool			
400	Tops and Yarns	2.0	Lb.
Man-made Fiber			
600	Textured	3.5	Lb.
601	Cont. cellulosic	5.2	Lb.
602	Cont. noncellulosic	11.6	Lb.
603	Spun cellulosic	3.4	Lb.
604	Spun noncellulosic	4.1	Lb.
605	Other yarns	3.5	Lb.
FABRIC			
Cotton			
310	Ginghams	1.0	SYD
311	Velveteens	1.0	SYD
312	Corduroy	1.0	SYD
313	Sheeting	1.0	SYD
314	Broadcloth	1.0	SYD
315	Printcloths	1.0	SYD
316	Shirtings	1.0	SYD
317	Twills and Sateens	1.0	SYD
318	Yarn-dyed	1.0	SYD
319	Duck	1.0	SYD
320	Other Fabrics, n.k.	1.0	SYD
Wool			
410	Woolen and worsted	1.0	SYD
411	Tapestries and upholstery	1.0	SYD
425	Knit	2.0	Lb.
429	Other Fabrics	1.0	SYD
Man-Made fiber			
610	Cont. cellulosic, n.k.	1.0	SYD
611	Spun cellulosic, n.k.	1.0	SYD
612	Cont. noncellulosic, n.k.	1.0	SYD
613	Spun noncellulosic, n.k.	1.0	SYD
614	Other fabrics, n.k.	1.0	SYD
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	SYD
627	Specialty	7.8	Lb.

EDITOR'S NOTE:

DPR = dozen pair
SFT = square feet
SYD = square yards
SYE = square yards equivalent

Category	Description	Conversion Factor	Unit of Measure	Category	Description	Conversion Factor	Unit of Measure	Category	Description	Conversion Factor	Unit of Measure	
APPAREL				Man-made Fiber				650 Dressing gowns, incl. bath and beach robes				
Cotton				630	Handkerchiefs	1.7	Dz.	651	Pajamas and other nightwear	52.0	Dz.	
330	Handkerchiefs	1.7	Dz.	631	Gloves	3.5	DPR	652	Underwear	16.0	Dz.	
331	Gloves	3.5	DPR	632	Hosiery	4.6	DPR	659	Other Apparel	7.8	Lb.	
332	Hosiery	4.6	DPR	633	Suit-type Coats, M and B	36.2	Dz.	MADE-UPS AND MISC.				
333	Suit-type coats, M and B	36.2	Dz.	634	Other Coats, M and B	41.3	Dz.	Cotton				
334	Other coats, M and B	41.3	Dz.	635	Coats, W, G and I	41.3	Dz.	360	Pillowcases	1.1	No.	
335	Coats, W, G, and I	41.3	Dz.	636	Dresses	45.3	Dz.	361	Sheets	6.2	No.	
336	Dresses (incl. uniforms)	45.3	Dz.	637	Playsuits, Sun suits, Washsuits, etc.	21.3	Dz.	362	Bedspreads and Quilts	6.2	No.	
337	Playsuits, Sun suits, Washsuits, Creepers	25.0	Dz.	638	Knit Shirts (Incl. T-Shirts), M and B	18.0	Dz.	363	Terry and other pile towels	0.5	No.	
338	Knit shirts, (incl. T-Shirts, other sweatshirts) M and B	7.2	Dz.	639	Knit Shirts and blouses (Incl. T-Shirts), W, G and I	15.0	Dz.	369	Other Cotton manufactures	4.6	Lb.	
339	Knit shirts and blouses (incl. T-Shirts, other sweatshirts) W, G and I	7.2	Dz.	640	Shirts, n.k.	24.0	Dz.	Wool				
340	Shirts, n.k.	24.0	Dz.	641	Blouses, n.k.	14.5	Dz.	464	Blankets and auto robes	1.3	Lb.	
341	Blouses, n.k.	14.5	Dz.	642	Skirts	17.8	Dz.	465	Floor Covering	0.1	SFT	
342	Skirts	17.8	Dz.	643	Suits, M and B	54.0	Dz.	469	Other Wool manufactures	2.0	Lb.	
343	Sweaters	36.8	Dz.	644	Suits, W, G and I	54.0	Dz.	Man-made Fiber				
347	Trousers, slacks, and shorts (outer) M and B	17.8	Dz.	645	Sweaters, M and B	36.8	Dz.	665	Floor Coverings	0.1	SFT	
348	Trousers, slacks and shorts (outer) W, G and I	17.8	Dz.	646	Sweaters, W, G and I	36.8	Dz.	666	Other Furnishings	7.8	Lb.	
349	Brassieres, etc.	4.8	Dz.	647	Trousers, slacks and shorts (outer), M and B	17.8	Dz.	669	Other man-made manufactur	7.8	Lb.	
350	Dressing gowns, incl. bathrobes, and beach house coats, and dusters	51.0	Dz.	648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.	ANNEX B				
351	Pajamas and other nightwear	52.0	Dz.	649	Brassieres, etc.	4.8	Dz.	SPECIFIC LIMITS				
352	Underwear (incl. union suits)	11.0	Dz.					First Agreement Year	Second Agreement Year	Third Agreement Year		
359	Other apparel	4.6	Lbs.	Category	Brief Description							
Wool				331	Cotton Gloves	3,213,600 dozen pair	11,247,600 SYE	3,310,008 dozen	11,585,028 SYE	3,409,308 dozen	11,932,578 SYE	
431	Gloves	2.1	DPR	339	Knit Shirts & Blouses W, G, & I	720,000 dozen	5,184,000 SYE	912,000 dozen	6,566,400 SYE	865,280 dozen	6,230,016 SYE	
432	Hosiery	2.8	DPR	340	Shirts, M & B, not knit	540,000 dozen	12,960,000 SYE	561,600 dozen	13,478,400 SYE	584,064 dozen	14,017,536 SYE	
433	Suit-Type coats, M and B	36.0	Dz.	341	Blouses, W, G, & I not knit	381,300 dozen	5,528,850 SYE	455,100 dozen	6,598,950 SYE	443,456 dozen	6,430,112 SYE	
434	Other Coats, M and B	5	Dz.	347/348	Trousers	1,440,000 dozen	25,632,000 SYE	1,824,000 dozen	32,467,200 SYE	1,730,560 dozen	30,803,968 SYE	
435	Coats, W, G and I	54.0	Dz.	645/646	Sweaters	550,000 dozen	20,240,000 SYE	566,500 dozen	20,847,200 SYE	583,495 dozen	21,472,616 SYE	
436	Dresses	49.2	Dz.									
438	Knit Shirts and Blouses	15.0	Dz.									
440	Shirts and Blouses, n.k.	24.0	Dz.									
442	Skirts	18.0	Dz.									
443	Suits, M and B	54.0	Dz.									
444	Suits, W, G and I	54.0	Dz.									
445	Sweaters, M and B	14.88	Dz.									
446	Sweaters, W, G and I	14.88	Dz.									
447	Trousers, slacks and shorts (outer) M and B	18.0	Dz.									
448	Trousers, slacks and shorts (outer) W, G and I	18.0	Dz.									
459	Other Wool Apparel	2.0	Lb.									

ANNEX B SPECIFIC LIMITS

Category	Brief Description	First Agreement Year	Second Agreement Year	Third Agreement Year
331	Cotton Gloves	3,213,600 dozen pair 11,247,600 SYE	3,310,008 dozen 11,585,028 SYE	3,409,308 dozen 11,932,578 SYE
339	Knit Shirts & Blouses W, G, & I	720,000 dozen 5,184,000 SYE	912,000 dozen 6,566,400 SYE	865,280 dozen 6,230,016 SYE
340	Shirts, M & B, not knit	540,000 dozen 12,960,000 SYE	561,600 dozen 13,478,400 SYE	584,064 dozen 14,017,536 SYE
341	Blouses, W, G, & I not knit	381,300 dozen 5,528,850 SYE	455,100 dozen 6,598,950 SYE	443,456 dozen 6,430,112 SYE
347/348	Trousers	1,440,000 dozen 25,632,000 SYE	1,824,000 dozen 32,467,200 SYE	1,730,560 dozen 30,803,968 SYE
645/646	Sweaters	550,000 dozen 20,240,000 SYE	566,500 dozen 20,847,200 SYE	583,495 dozen 21,472,616 SYE

Maritime Transport Agreement

AGREEMENT ON MARITIME TRANSPORT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

The Government of the United States of America and the Government of the People's Republic of China

In conformity with the spirit of the Joint Communiqué on the Establishment of Diplomatic Relations between the United States of America and the People's Republic of China of December 15, 1978; and

Recognizing the importance of maritime relations for both countries; and

In consideration of the significance of maritime transport in the development and facilitation of trade between both countries; and

For the purpose of strengthening their cooperation in the field of maritime transport; and

In accordance with the principle of equality and mutual benefit

Have agreed as follows:

ARTICLE 1

For purposes of this Agreement:

a. The term "vessel" shall mean any merchant ship engaged in commercial maritime shipping or merchant marine training. The term "vessel" shall not include warships; vessels carrying out any form of state function except for those mentioned in the preceding sentence; or fishing vessels; fishery research vessels or fishery support vessels.

b. The term "vessel of a Party" shall mean a vessel flying the national flag of and registered in the United States of America or the People's Republic of China respectively.

c. The term "member of the crew" shall mean a person working on board a vessel of a Party who actually performs duties or services connected with the operation or maintenance of the vessel, holding appropriate identity documents issued by the authorities of that Party as provided in Article 5, and whose name is included on the crew list of the vessel.

ARTICLE 2

a. The Parties agree that when vessels of either Party, for the purpose of transportation of passengers and cargo, enter into or depart from the ports, mooring places and waters of the other Party, the latter shall adopt all appropriate measures to provide favorable treatment to such vessels with regard to servicing of vessels, port operations, the simplification and expedition of administrative, customs and all required formalities. The conditions under which vessels of one Party may enter the ports of the other Party are set forth in letters, exchanged between the competent authorities, which accompany this Agreement.

b. Each Party undertakes to ensure that tonnage duties upon vessels of the other Party will be as favorable as the charges imposed in like situations with respect to vessels of any other country.

ARTICLE 3

This Agreement shall not apply to the vessels of one Party in the transportation of passengers and cargo between the ports of the other Party. However, the right of vessels of either Party to engage in commercial passenger and cargo services in accordance with Article 2 shall include the right to pick up or discharge passengers and cargo at more than one port of the other Party if such passengers and cargo are destined for or are proceeding from another country on the same vessel.

ARTICLE 4

a. Each Party shall recognize the nationality of the vessels which fly the national flag of the other Party and hold certificates of their nationality issued according to the laws and regulations of the other Party.

b. Each Party shall recognize the tonnage certificates and other ship's documents issued by the competent authorities of the other Party to the extent permitted by applicable laws and regulations.

c. Each Party shall inform the other Party of any changes in its system of tonnage measurements.

ARTICLE 5

Each Party shall recognize the identity documents of crew members issued by the competent authorities of the other Party. Those issued by the United States of America shall be the "U.S. Merchant Mariner's Document", while those issued by the People's Republic of China shall be the "Seaman's Book". Should any change in the identity document of a Party occur, such change shall be communicated to the other Party.

ARTICLE 6

a. Members of the crew of vessels of either Party shall be permitted to go ashore during the stay of their vessel in the ports of the other Party, in accordance with its applicable laws and regulations.

b. Each Party may deny entry into its territory of a member of the crew of a vessel of the other Party in accordance with its applicable laws and regulations.

c. Members of the crew of vessels of either Party requiring hospitalization shall be permitted to enter into and remain in the territory of the other Party for the period of time necessary for medical treatment, in accordance with applicable laws and regulations of that Party.

d. Members of the crew of vessels of either Party holding documents as stipulated in Article 5 of this Agreement may enter the territory or travel through the territory of the other Party for the purpose of joining national vessels, for repatriation or for any other reason acceptable to the competent authorities of the other Party, after complying with the applicable laws and regulations of that Party.

ARTICLE 7

a. Should a vessel of either Party be involved in a maritime accident or encounter any other danger in the ports, mooring places and waters of the other Party, the latter shall give

friendly treatment and all possible assistance to the passengers, crew members, cargo and vessel.

b. When a vessel of one Party is involved in a maritime accident or encounters any other danger and its cargo and other property is removed therefrom and landed in the territory of the other Party, such cargo and other property shall not be subject to any customs duties by that Party, unless it enters into its domestic consumption. Storage charges incurred shall be just, reasonable and non-discriminatory.

c. Each Party shall promptly notify the consular officials, or in their absence the diplomatic representatives, of the other Party when one of its vessels is in distress, and inform them of measures taken for the rescue and protection of the crew members, passengers, vessel, cargo and stores.

ARTICLE 8

a. Each Party recognizes the interest of the other Party in carrying a substantial part of its foreign trade in vessels of its own flag and both Parties intend that their national flag vessels will each carry equal and substantial shares of the bilateral trade between the two nations.

b. Each Party, where it directs the selection of the carrier of its export or import cargoes, shall provide to vessels under the flag of the other Party a general cargo share and a bulk share equal in each category to those vessels under its flag, and consistent with the intention of the Parties that their national flag vessels will carry not less than one-third of bilateral cargoes.

c. Whenever vessels under the flag of one Party are not available to carry cargo offered for carriage between ports served by such vessels with reasonable notice and upon reasonable terms and conditions of carriage, the offering Party shall be free to direct such cargo to its national flag or third flag vessels.

d. When bulk cargo is carried between the United States and the People's Republic of China such cargo shall be carried at a mutually acceptable rate. Each Party, where it has the power to select the carrier, shall offer such cargo to vessels of the other Party at rates, terms and conditions of carriage which are fair and reasonable for such vessels.

ARTICLE 9

Each Party recognizes the interest of the other, through domestic legislation or policy, in regulating the conduct of cross-traders in their respective foreign ocean commerce and agrees to respect each other's laws and policies in this regard.

ARTICLE 10

Payments for transportation services under this Agreement shall either be effected in freely convertible currencies mutually accepted by firms, companies and corporations and trading organizations of the two countries, or made otherwise in accordance with agreements signed by and between the two parties to the transaction. Parties to such transactions may convert and remit to their country, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without restric-

tions in respect thereof at the rate of exchange applicable to current transactions and remittances. Neither Party may impose restrictions on such payments except in time of declared national emergency.

ARTICLE 11

The Parties agree to enter into such technical personnel and information exchanges necessary to facilitate and accelerate the movement of cargo at sea and in ports and to promote cooperation between their respective merchant marines.

ARTICLE 12

a. For the implementation of this Agreement the competent authority of the United States of America shall be the Department of Commerce while that of the People's Republic of China shall be the Ministry of Communications. Each Party shall authorize its competent authority to take action under its laws and procedures, and in consultations with the competent authority of the other Party, to implement this Agreement.

b. The Parties agree that representatives of the competent authorities will meet annually for a comprehensive view of matters related to the Agreement as may be desirable. Such meetings will be held at a time and place agreeable to both Parties. The Parties also agree to engage in such consultations, exchange such information, and take such action as may be necessary to ensure effective operation of this Agreement.

ARTICLE 13

This Agreement shall be in force for three years from the date of signing and shall expire on September 17, 1983. This Agreement may be extended, subject to negotiations between the Parties prior to the expiration date. The Agreement may also be terminated by either Party on 90 days written notice.

DONE at Washington, this seventeenth day of September 1980 in duplicate, each copy in the English and Chinese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

JIMMY CARTER

FOR THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA:

Bo Yibo

ACCOMPANYING LETTERS

September 17, 1980

Mr. Dong Huamin
Director
Bureau of Foreign Affairs
Ministry of Communications
Beijing, People's Republic of China

Dear Mr. Dong:

In connection with the Agreement on
Maritime Transport concluded on this date be-

tween the Government of the United States of America and the Government of the People's Republic of China, and, in particular, Article 2 of that Agreement, I have the honor to confirm that the following conditions apply to the entry of vessels of each Party into the ports of the other Party:

1. Vessels flying the flag of the United States of America may enter all ports of the People's Republic of China which are open to international merchant shipping listed in Annex A to this letter subject to seven days' advance notice of such entry to the appropriate authorities of the People's Republic of China in accordance with regulations concerning entry by foreign vessels to China.

2. Vessels flying the flag of the People's Republic of China may enter ports of the United States of America in accordance with regulations concerning entry by foreign vessels. Entry into ports listed in Annex B to this letter will be subject to four days' advance notice of such entry to the appropriate authorities of the United States of America. Regarding ports not included in this Annex B, appropriate authorities of the United States of America will be informed not less than seven working days prior to an intended entry into such ports. It is understood that entry into these ports will ordinarily be granted, but that authorities of the United States may deny such entry for reasons of national security.

3. It is further understood that, in view of the expectation of both our governments that the relations between our countries will continue to grow, the list of ports contained in the Annexes to this letter will be reviewed periodically during the term of the Agreement with a view toward increasing the number of ports on these lists.

I request that you confirm these proposed conditions.

Respectfully,

SAMUEL B. NEMIROW
Assistant Secretary
United States Department
of Commerce

ANNEX A

List of Chinese Ports

1. Dalian
2. Qinhuangdao
3. Tianjin
4. Yantai
5. Qingdao
6. Lianyungang
7. Wenzhou
8. Shanghai
9. Ningbo
10. Fuzhou
11. Xiamen
12. Shantou
13. Shanwei
14. Huangpu
15. Guangzhou
16. Zhanjiang
17. Beihai
18. Haikou
19. Basuo
20. Shijiusuo (under construction)

ANNEX B

List of United States Ports

1. Portland, Maine
2. Boston, Massachusetts
3. Fall River, Massachusetts
4. New York (New York and New Jersey ports of the Port of New York Authority), New York
5. Albany, New York
6. Philadelphia, Pennsylvania (including Camden, New Jersey)
7. Wilmington, Delaware
8. Baltimore, Maryland
9. Richmond, Virginia
10. Morehead City, North Carolina
11. Wilmington, North Carolina
12. Georgetown, South Carolina
13. Savannah, Georgia
14. Boca Grande, Florida
15. Port Everglades, Florida
16. Ponce, Puerto Rico
17. Tampa, Florida
18. Mobile, Alabama
19. Gulfport, Mississippi
20. New Orleans, Louisiana
21. Burnside, Louisiana
22. Baton Rouge, Louisiana
23. Orange, Texas
24. Beaumont, Texas
25. Port Arthur, Texas
26. Galveston, Texas
27. Houston, Texas
28. Corpus Christi, Texas
29. Brownsville, Texas
30. Anchorage, Alaska
31. Skagway, Alaska
32. Ketchikan, Alaska
33. Seattle, Washington
34. Bellingham, Washington
35. Longview, Washington
36. Everett, Washington
37. Tacoma, Washington
38. Portland (including Vancouver, Washington), Oregon
39. Astoria, Oregon
40. Coos Bay (including North Bend), Oregon
41. Eureka, California
42. Stockton, California
43. San Francisco (including Alameda, Oakland, Berkeley, Richmond), California
44. Sacramento, California
45. Los Angeles (including San Pedro, Wilmington, Terminal Island), California
46. Long Beach, California
47. Honolulu, Hawaii
48. Erie, Pennsylvania
49. Cleveland, Ohio
50. Toledo, Ohio
51. Bay City, Michigan
52. Chicago, Illinois
53. Kenosha, Wisconsin
54. Milwaukee, Wisconsin
55. Duluth, Minnesota/Superior, Wisconsin

September 17, 1980

Mr. Samuel B. Nemirow
Assistant Secretary
United States Department of Commerce

Dear Mr. Nemirow:

I have the honor to acknowledge the receipt of your letter dated today, the contents of which follow:

"In connection with the Agreement on Maritime Transport concluded on this date between the Government of the United States of America and the Government of the People's Republic of China, and, in particular, Article 2 of that Agreement, I have the honor to confirm that the following conditions apply to the entry of vessels of each Party into the ports of the other Party:

1. Vessels flying the flag of the United States of America may enter all ports of the People's Republic of China which are open to international merchant shipping listed in Annex A to this letter subject to seven days' advance notice of such entry to the appropriate authorities of the People's Republic of China in accordance with regulations concerning entry by foreign vessels to China.

2. Vessels flying the flags of the People's Republic of China may enter ports of the United States of America in accordance with regulations concerning entry by foreign vessels. Entry into ports listed in Annex B to this letter will be subject to four days' advance notice of such entry to the appropriate authorities of the United States of America. Regarding ports not included in this Annex B, appropriate authorities of the United States of America will be informed not less than seven working days prior to an intended entry into such ports. It is understood that entry into these ports will ordinarily be granted, but that authorities of the United States may deny such entry for reasons of national security.

3. It is further understood that, in view of the expectation of both our governments that the relations between our countries will continue to grow, the list of ports contained in the Annexes to this letter will be reviewed periodically during the term of the Agreement with a view toward increasing the number of ports on these lists.

I request that you confirm these proposed conditions."

I confirm the above contents of your letter as correct.

With my highest considerations,

Respectfully,

DONG HUAMIN
Director
Bureau of Foreign Affairs
Ministry of Communications
People's Republic of China

Consular Convention

CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA

The Government of the United States of America and the Government of the People's Republic of China,

Desiring to regulate and strengthen their consular relations, in order to promote the development of friendly and cooperative relations between the two countries, and thus to facilitate the protection of their national interests and the protection of the rights and interests of their nationals,

Have decided to conclude this Consular Convention and have appointed as their plenipotentiaries the following:

For the United States of America:

Jimmy Carter, President

For the People's Republic of China:

Bo Yibo, Vice Premier

Who, having examined and exchanged their respective full powers, which were found in good and due form, have agreed as follows:

ARTICLE 1

Definitions

For the purpose of the present Convention, the terms listed below shall have the following meanings:

1. "Consulate" means a consulate general, consulate, vice consulate, or consular agency;

2. "Consular district" means the area assigned to a consulate for the exercise of consular functions;

3. "Head of a consulate" means the consul general, consul, vice consul or consular agent who is charged by the sending State to head a consulate;

4. "Consular officer" means any person, including the head of a consulate, who is charged by the sending State with the performance of consular functions;

5. "Consular employee" means any person who performs administrative, technical, or service functions at a consulate;

6. "Member of a consulate" means any consular officer or consular employee;

7. "Members of the family" means the spouse, minor children and other relatives of a member of a consulate who form a part of his household;

8. "Consular premises" means buildings or parts of buildings, as well as the grounds ancillary thereto, used exclusively for the purposes of a consulate, regardless of ownership;

9. "Consular archives" means all correspondence, codes and ciphers, documents, records, files, tapes and books of a consulate, as well as any article of furniture intended for their storage or safekeeping;

10. "Vessel of the sending State" means any vessel sailing under the flag of the sending State, in accordance with the law of the sending State, excluding military vessels;

11. "Aircraft of the sending State" means any aircraft flying under the nationality and registration marks of the sending State, in accordance with the law of the sending State, excluding military aircraft;

12. "Law" means

• for the People's Republic of China, all national, provincial, municipal, autonomous region and local laws, ordinances, regulations and decisions having the force and effect of law;

• for the United States of America, all federal, state or local laws, ordinances, regulations and decisions having the force and effect of law.

ARTICLE 2

Opening of Consulates

1. A consulate may be established only through agreement between the sending and receiving States.

2. The determination of the seat of the consulate, its classification, and its consular district, as well as any changes pertaining thereto, shall be through agreement between the sending and receiving States.

ARTICLE 3

Appointment of the Head of a Consulate

1. The sending State shall forward to the receiving State through diplomatic channels a written notification of the appointment of the head of the consulate. This notification shall contain the full name, nationality, sex and rank of the head of the consulate, a brief biography, the date on which he will begin to exercise his functions, the classification and seat of the consulate, and the consular district.

2. Upon receiving notification of the appointment of the head of the consulate, the receiving State shall, if there is no objection, confirm it in writing without delay. The head of the consulate may enter upon the performance of his functions only after the receiving State has provided such confirmation.

3. The receiving State may permit the head of a consulate to exercise his functions on a provisional basis prior to his confirmation by the receiving State.

4. The receiving State shall, immediately after granting recognition, including provisional recognition, take all measures necessary to enable the head of the consulate to exercise his functions and to enjoy the rights, facilities, privileges and immunities granted under this Convention and under the law of the receiving State.

5. If for any reason the head of a consulate is unable to exercise his functions, or if the position of the head of consulate is vacant, the sending State may place its consulate under the temporary charge of a consular officer of the same or of another consulate in the receiving State or a member of the diplomatic staff of the diplomatic mission of the sending State in the receiving State. The sending State shall notify the receiving State in advance of the full name of the person appointed as acting head of a consulate.

6. A person appointed as acting head of a consulate shall enjoy the same rights, facilities, privileges and immunities enjoyed by a head of a consulate under this Convention.

7. Entrusting a member of the diplomatic staff of the diplomatic mission of the sending State with the functions of head of a consulate does not limit the privileges and immunities to which such person is entitled by virtue of diplomatic status, subject to the provisions of Article 33, paragraph 4 of this Convention.

ARTICLE 4

Appointment of Members of a Consulate

1. The sending State may staff its consulate with the number of members of a consulate it considers necessary. The receiving State may, however, require that the number of such members of a consulate be kept within the limits which it considers to be reasonable, having regard to existing circumstances and conditions in the consular district and the needs of a particular consulate.

2. Consular officers shall be nationals of the sending State only and shall not be permanent residents of the receiving State.

3. The sending State shall communicate in advance, in writing, to the receiving State the full name, functions and class of each consular officer other than the head of the consulate, his arrival, final departure or termination of functions, as well as all other changes affecting the person's status while assigned to the consulate.

4. The sending State shall also notify the receiving State in writing of:

(a) the designation of all consular employees, their full name, nationality and functions, their arrival, their final departure or termination of their functions, as well as other changes affecting their status while assigned to the consulate;

(b) the arrival and final departure of members of the family of a member of a consulate and when any such individual becomes or ceases to be a member of the family;

(c) the employment or dismissal of a consular employee who is a national or permanent resident of the receiving State.

ARTICLE 5

Performance of Consular Functions by a Diplomatic Mission

1. The provisions of this Convention relating to consular functions, rights, facilities, privileges and immunities shall apply in the case of consular functions being performed by a diplomatic mission.

2. The names of the members of the diplomatic mission entrusted with the performance of consular functions shall be communicated to the receiving State.

3. The members of the diplomatic mission referred to in paragraph 2 of this Article shall continue to enjoy the privileges and immunities granted them by virtue of their diplomatic status, subject to the requirements of Article 33, paragraph 4, of this Convention.

ARTICLE 6

Terminating Functions of Members of a Consulate

1. The receiving State may at any time, and without having to explain its decision, notify the sending State through diplomatic channels that the head of a consulate is *persona non grata* or that any other member of a consulate is unacceptable. In such a case, the sending State shall recall such person or terminate his functions in the consulate.

2. If the sending State refuses or fails within a reasonable time to carry out the obligation contained in paragraph 1 of this Article, the receiving State may either withdraw recognition from the person concerned or refuse to consider him as a member of the consulate.

3. The functions of a member of a consulate shall come to an end, among other things, upon the:

(a) notification by the sending State to the receiving State that his functions have come to an end;

(b) withdrawal by the receiving State of recognition; or

(c) notification by the receiving State to the sending State that the receiving State has

ceased to consider the person as a member of the consulate.

ARTICLE 7

Facilities for the Operation of a Consulate and Protection of Consular Officers

1. The receiving State shall take all necessary steps for the establishment of the proper conditions for the normal operation of a consulate and shall accord full facilities for the performance of the functions of the consulate.

2. The receiving State shall afford appropriate protection to consular officers to prevent any attack upon their person, freedom or dignity and further shall take all measures necessary to ensure that consular officers are able to perform their functions and enjoy the rights, facilities, privileges and immunities provided them under this Convention.

ARTICLE 8

Acquisition of Consular Premises and Residences

1. The sending State or its representative shall be entitled to purchase, lease or acquire in any other way, land, consular premises and residences as appropriate for consular purposes, except residences for members of a consulate who are nationals or permanent residents of the receiving State, and to construct or improve buildings for such purposes.

2. In exercising the rights provided under paragraph 1 of this Article, the sending State shall comply with the law of the receiving State, including the law relating to land, construction, zoning and town planning.

3. The receiving State shall, in conformity with its law, facilitate a consulate of the sending State in the acquisition of suitable consular premises. When necessary, the receiving State shall assist the sending State in the acquisition of residences for members of a consulate.

ARTICLE 9

Use of the National Flag and Emblems

1. The sending State shall be entitled to display the national emblem and the designation of the consulate on the consular premises in the languages of the sending and of the receiving States.

2. The sending State shall be entitled to fly the flag of the sending State on the consular premises and on the residence of the head of the consulate, as well as on the means of transport of the head of the consulate used in the performance of his official duties.

3. In exercising the rights provided by this Article, the sending State shall observe the law and customs of the receiving State.

ARTICLE 10

Inviolability of Premises and Residences

1. The consular premises shall be inviolable. The authorities of the receiving State may not enter the consular premises without the consent of the head of the consulate or the head of the diplomatic mission of the sending State or a person designated by one of those persons.

2. The receiving State is under a special duty to take all steps necessary to protect the consular premises against any intrusion or damage and to prevent any disturbance of the peace of the consulate or impairment of its dignity.

3. The provisions of paragraph 1 of this Article shall apply likewise to the residences of consular officers.

ARTICLE 11

Inviolability of Archives

The consular archives shall be inviolable at all times and wherever they may be. Documents and objects of an unofficial character shall not be stored in the consular archives.

ARTICLE 12

Freedom of Communications

1. A consulate shall be entitled to exchange communications with its government, with diplomatic missions of the sending State and with other consulates of the sending State, wherever situated. For this purpose, the consulate may employ all ordinary means of communication, including diplomatic and consular couriers, diplomatic and consular bags and codes and ciphers. The consulate may install and use a wireless transmitter only with the prior consent of the receiving State.

2. The official correspondence of a consulate, regardless of the means of communication employed, as well as sealed consular bags and other containers, provided they bear visible external marks of their official character, shall be inviolable. They may contain nothing other than official correspondence and articles intended exclusively for official use.

3. The authorities of the receiving State shall neither open nor detain the official correspondence of a consulate, including consular bags and other containers, as described in paragraph 2 of this Article.

4. The consular couriers of the sending State shall enjoy in the territory of the receiving State the same rights, privileges, facilities and immunities enjoyed by diplomatic couriers of the sending State.

5. If a master of a vessel or captain of a civil aircraft of the sending State is charged with an official consular bag, the master or captain shall be provided with an official document showing the number of containers forming the consular bag entrusted to him; he shall not, however, be considered to be a consular courier. By arrangements with the appropriate authorities of the receiving State, and in compliance with the safety regulations of the receiving State, the sending State may send a member of the consulate to take possession of the consular bag directly and freely from the master of the vessel or captain of the aircraft or to deliver such bag to him.

ARTICLE 13

Immunity of Members of a Consulate from the Jurisdiction of the Receiving State

1. Members of a consulate and their family members shall be immune from the criminal jurisdiction of the receiving State.

2. Members of a consulate and their family members shall be immune from the civil

and administrative jurisdiction of the receiving State respecting any act performed by them in the exercise of consular functions.

1. The provisions of paragraph 2 of this Article shall not apply to civil procedures:

(a) resulting from contracts that were not concluded by a member of a consulate on behalf of the sending State;

(b) relating to succession in which a member of a consulate was involved as executor, administrator, heir or legatee in a private capacity;

(c) concerning a claim by a third party for damage caused by a vessel, vehicle or aircraft;

(d) concerning private immovable property in the jurisdiction of the receiving State, unless the member of a consulate is holding it on behalf of the sending State for the purposes of the consulate;

(e) relating to any private professional or commercial activities engaged in by a member of a consulate in the receiving State outside of his official functions.

4. No measures of execution shall be taken against any of the persons mentioned in this Article, except in the cases under paragraph 3(d) of this Article, and then under the condition that these measures shall not infringe upon the inviolability of their person or residence.

5. Members of a consulate and their family members may be called upon to attend as witnesses in the course of judicial or administrative proceedings. In the event of the refusal of a consular officer or a member of the officer's family to give evidence, no coercive measure or penalty may be applied to such person. Consular employees and members of their families may not decline to give evidence except with respect to matters mentioned in paragraph 6 of this Article.

6. Members of a consulate are under no obligation to give evidence concerning matters relating to the exercise of their official functions or to produce official correspondence or documents. They are also entitled to decline to give evidence as expert witnesses with regard to the law of the sending State.

7. In taking testimony of members of a consulate, the authorities of the receiving State shall take all the appropriate measures to avoid hindering the performance of their official consular duties. Upon the request of the head of a consulate, such testimony may, when possible, be given orally or in writing at the consulate or at the residence of the person concerned.

ARTICLE 14

Waiver of Immunity

1. The sending State may waive the immunity from jurisdiction of members of a consulate and of members of their families provided in Article 13 of this Convention. Except as provided in paragraph 2 of this Article, such waiver shall always be express and in writing.

2. In the event a member of a consulate or a member of his family initiates legal proceedings, with respect to which he would enjoy immunity from jurisdiction under this Convention, no immunity may be invoked with regard to any counterclaim directly related to the principal claim.

3. Waiver of immunity from jurisdiction with respect to civil proceedings shall not be held to imply waiver of immunity with respect to the execution of judgment, for which a separate waiver shall be necessary.

ARTICLE 15

Exemption from Services and Obligations

Consular officers and consular employees and members of their families who are not nationals of the receiving State and who are not aliens lawfully admitted for permanent residence in the receiving State shall be exempt in the receiving State from obligations and services of a military nature, from any kind of compulsory services, and from any contributions that may be due in lieu thereof. They shall likewise be exempt from obligations relating to the registration of aliens, from obtaining permission to reside, and from compliance with other similar obligations applicable to aliens.

ARTICLE 16

Exemption of Real and Movable Property from Taxation

1. The sending State shall be exempt from all dues and taxes and similar charges of any kind in the receiving State, for which it otherwise would be liable, with respect to:

(a) the consular premises and residences of members of a consulate referred to in Article 8 of this Convention;

(b) transactions or documents relating to such immovable property;

2. The sending State shall be exempt from all dues and taxes and similar charges of any kind on movable property which is owned, held or leased or otherwise possessed by it and which is used exclusively for consular purposes, as well as dues and taxes in connection with the acquisition, possession or maintenance of such property.

3. The provisions of subparagraph 1(a) of this Article shall not apply to payment for specific services rendered.

4. The exemptions accorded by this Article shall not apply to such dues and taxes if under the law of the receiving State they are payable by a person contracting with the sending State or with a person acting on behalf of the sending State.

5. The provisions of this Article also apply to all immovable property used for the official purposes of the diplomatic mission of the sending State, including residences of diplomatic mission personnel.

ARTICLE 17

Exemption of Members of a Consulate from Taxation

1. Except as provided in paragraph 2 of this Article, a member of a consulate and members of his family shall be exempt from payment of all dues and taxes and similar charges of any kind.

2. The exemption provided by paragraph 1 of this Article shall not apply with respect to:

(a) indirect taxes of a kind normally included in the price of goods and services;

(b) dues and taxes imposed with respect to private immovable property located in the territory of the receiving State, unless an exemption is provided by Article 16 of this Convention;

(c) estate, succession and inheritance taxes and taxes on the transfer of property rights imposed by the receiving State, except as provided in paragraph 3 of this Article;

(d) dues and taxes on private income earned in the receiving State;

(e) charges for specific services rendered;

(f) dues and taxes on transactions or on documents relating to transactions, including fees of any kind collected by reason of such transactions, except for fees and charges exemption from which is provided in Article 16 of this Convention.

3. If a member of a consulate or a member of his family dies, no estate, succession or inheritance tax or any other tax or charge on the transfer of movable property at death shall be imposed by the receiving State with respect to that property, provided that the presence of the deceased in the receiving State in the capacity of a member of a consulate or a member of his family.

ARTICLE 18

Exemptions from Customs Duties and Inspection

1. All articles, including motor vehicles, for the official use of a consulate, shall, in conformity with the law of the receiving State, be exempt from customs duties and other dues and taxes of any kind imposed upon or by reason of importation or exportation.

2. Consular officers and members of their families shall be exempt from customs duties and other charges imposed upon or by reason of importation or exportation of articles intended for their own personal use, including articles for the equipment of their households.

3. Consular employees and members of their families shall be exempt from customs duties and other charges imposed upon or by reason of the importation or exportation of articles for their own personal use, including articles for the equipment of their households, imported at time of first arrival at a consulate.

4. Articles designed for personal use shall not exceed the quantities required for direct use by the person accorded an exemption by this Article.

5. Personal baggage of consular officers and members of their families shall be exempt from customs inspection. It may be inspected only in cases where there is serious reason to believe that it contains articles other than those mentioned in paragraph 2 of this Article, or articles the importation or exportation of which is prohibited by the law of the receiving State or articles which are subject to the law of quarantine. Such inspection must be undertaken in the presence of the consular officer concerned or member of his family or his representative.

ARTICLE 19

Immunity from Requisition

Consular premises as well as the official means of transport of the consulate are not li-

able to any form of requisition. If for the needs of the national defense or other public purposes expropriation of consular premises, residences or means of transport becomes necessary, all possible measures must be taken by the receiving State to avoid interference with the performance of consular functions and promptly to pay appropriate and effective compensation to the sending State.

ARTICLE 20

Freedom of Movement

Subject to the law of the receiving State concerning zones, entry into which is prohibited or regulated for reasons of national security, the receiving State shall ensure freedom of movement and travel in its territory to members of a consulate and members of their families.

ARTICLE 21

Exclusion from the Enjoyment of Rights, Facilities, Privileges and Immunities

Members of a consulate and members of their families who are either nationals or permanent residents of the receiving State shall not enjoy the rights, facilities, privileges and immunities provided by this Convention, except immunity from the obligation to give evidence concerning matters relating to the exercise of their official functions as provided in paragraph 6 of Article 13 of this Convention.

ARTICLE 22

Functions of Consular Officers

1. The functions of a consular officer consist of:

(a) protecting the rights and interests of the sending State and of its nationals, including juridical persons;

(b) rendering assistance to and cooperating with nationals of the sending State, including juridical persons;

(c) contributing to the development of economic, commercial, cultural, scientific and tourist relations between the sending and the receiving States;

(d) promoting in various ways the development of friendly relations between the sending and the receiving States;

(e) ascertaining by all lawful means conditions and developments in the political, commercial, economic, cultural, educational and scientific-technological life of the receiving State, and reporting thereon to the government of the sending State.

2. A consular officer shall, if authorized by the sending State, be entitled to carry out the functions described in this Convention, as well as other consular functions which are not prohibited by the law of the receiving State or to which the receiving State does not object.

ARTICLE 23

Execution of Consular Functions

1. A consular officer shall be entitled to execute his functions only within the consular district. A consular officer may execute his functions outside the limits of the consular district only with the advance consent of the

receiving State given separately in each instance.

2. In executing his functions, a consular officer may approach orally or in writing:

(a) the competent local authorities in the consular district;

(b) the competent central authorities of the receiving State, if and to the extent allowed by the law and customs of the receiving State.

3. With the advance approval of the receiving State, the sending State may perform consular functions in the receiving State on behalf of a third State.

4. A consulate may levy in the territory of the receiving State consular fees authorized under the law of the sending State for consular acts. Any such sums levied shall be exempt from all dues and taxes in the receiving State.

ARTICLE 24

Representation before the Authorities of the Receiving State

1. A consular officer shall be entitled, in accordance with the law of the receiving State, to take appropriate measures for the protection of the rights and interests of nationals of the sending State, including juridical persons, before the courts and other authorities of the receiving State, where, because they are not present in the receiving State or for any other reason, these nationals are not in a position to undertake timely defense of their rights and interests.

2. The measures referred to in paragraph 1 of this Article shall cease as soon as the national appoints his own representative or the national assumes the defense of his rights and interests.

3. Nothing in this Article, however, shall be construed to authorize a consular officer to act as an attorney-at-law.

ARTICLE 25

Functions with Regard to Travel Documents

A consular officer shall be entitled to:

1. issue to nationals of the sending State passports or similar travel documents, as well as make amendments in them;

2. issue visas or other appropriate documents to persons wishing to travel to or through the sending State.

ARTICLE 26

Functions Regarding Citizenship and Civil Status

A consular officer shall be entitled to:

1. register nationals of the sending State;

2. accept applications and issue or deliver documents on matters of citizenship;

3. accept applications or declarations relating to civil status from nationals of the sending State;

4. register births and deaths of nationals of the sending State.

ARTICLE 27

Notarial Functions

A consular officer shall be entitled to:

1. receive and witness statements made under oath or affirmation, and, in accordance with the law of the receiving State, to receive the testimony of any person for use in connection with a legal proceeding in the sending State;

2. draw up or authenticate any act or document, as well as copies or extracts thereof, of a national of the sending State, including a juridical person, for use outside the receiving State or of any person for use in the sending State, or perform other notarial functions;

3. authenticate documents issued by competent authorities of the receiving State for use in the sending State.

ARTICLE 28

Legal Force of Documents Prepared by a Consular Officer

The acts and documents certified or legalized by a consular officer of the sending State, as well as copies, extracts and translations of such acts and documents certified by him, shall be receivable in evidence in the receiving State as official or officially certified acts, documents, copies, translations or extracts, and shall have in the receiving State the same validity and effect as the documents certified or legalized by the competent authorities of the receiving State, provided they have been drawn and executed in conformity with the law of the receiving State and with the law of the country in which they are to be used.

ARTICLE 29

Serving Judicial and Other Legal Documents

A consular officer shall be entitled to serve judicial and other legal documents in accordance with international agreements in force between the sending and receiving States or, in the absence of such agreements, to the extent permitted by the law of the receiving State.

ARTICLE 30

Notification on the Establishment of Guardianship or Trusteeship

1. The competent authorities of the receiving State shall notify the consulate in writing of instances in which it is necessary to establish a guardianship or trusteeship over a national of the sending State who is not of age or lacks full capacity to act on his own behalf, or over property of a national of the sending State when for whatever reason such property cannot be administered by the national of the sending State.

2. A consular officer of the sending State may, on matters mentioned in paragraph 1 of this Article, contact the appropriate authorities of the receiving State, and may propose appropriate persons to be appointed to act as guardians or trustees, in accordance with the law of the receiving State.

Article 31
Notification of Death of a National of the Sending State

When the competent authorities of the receiving State learn that a national of the sending State has died in the receiving State, they shall immediately notify the appropriate consular officer of the sending State and, upon his request, send him a copy of the death certificate or other documentation confirming the death.

Article 32

Notification Regarding an Estate of a Deceased National

1. Whenever the appropriate local authorities of the receiving State learn of an estate resulting from the death in the receiving State of a national of the sending State who leaves in the receiving State no known heir or testamentary executor, they shall as promptly as possible so inform a consular officer of the sending State.

2. Whenever the appropriate local authorities of the receiving State learn of an estate of a deceased, regardless of nationality, who has left in the receiving State an estate in which a national of the sending State residing outside the receiving State may have an interest under the will of the decedent or otherwise in accordance with the law of the receiving State, they shall as promptly as possible so inform a consular officer of the sending State.

Article 33

Facilities Regarding Estates

1. A consular officer shall be entitled to take appropriate measures with respect to the estate of a deceased national of the property of a deceased national of the sending State left in the receiving State. In this connection he may, in cooperation with the authorities of the receiving State with a view towards protecting the interests of the sending State national, not a permanent resident of the receiving State, unless and insofar as he is otherwise represented there, make a request to the competent authorities of the receiving State to permit him to be present at the inventory and sealing and, in certain cases, also to participate in the proceedings.

2. A consular officer shall be entitled to make an inventory of the claims to have, a right to, or property in the receiving State by a deceased national of the sending State, and if that interested national is not in the receiving State or does not have a representative there.

3. A consular officer of the sending State shall be entitled to receive for transmission to a national of the sending State who is not a permanent resident of the receiving State any money or other property in the receiving State to which such national is entitled as a consequence of the death of another person, including shares in an estate, payments made pursuant to employees' compensation law, pension and social benefits systems in general, and proceeds of insurance policies, unless the court, agency or person making distribution directs that transmission be effected in a different manner. The court, agency, or person

making the distribution may require that a consular officer comply with conditions laid down with regard to:

(a) presenting a power of attorney or other authorization from such national residing outside the receiving State;

(b) furnishing reasonable evidence of the receipt of such money or other property by such national; and

(c) returning the money or other property in the event he is unable to furnish such evidence.

4. In exercising the rights provided by paragraphs 1 through 3 of this Article, the consular officer must comply with the law of the receiving State in the same manner and to the same extent as a national of the receiving State and, irrespective of the provisions of Article 13 of this Convention, shall be subject in this respect to the civil jurisdiction of the receiving State. Further, nothing in these Articles shall authorize a consular officer to act as an attorney-at-law.

Article 34

Provisional Custody of Money and Effects of a Deceased National of the Sending State

If a national of the sending State, not a permanent resident of the receiving State, dies during a temporary stay in or transit through the receiving State, and the deceased person did not leave a legal representative in the receiving State, the consular officer shall be entitled immediately to take provisional custody of the money, documents and personal effects that were in the national's possession for transfer to an heir, executor, or other person authorized to receive such property, to the extent permitted by the law of the receiving State.

Article 35

Communication with Nationals of the Sending State

1. A consular officer shall be entitled, in his consular district, to communicate and meet with any national of the sending State, and, when necessary, to arrange for legal assistance and an interpreter. The receiving State shall in no way restrict access between a consular officer and a national of the sending State.

2. If a national of the sending State is arrested or placed under any form of detention within the consular district, the competent authorities of the receiving State shall immediately, but no later than within four days from the date of arrest or detention, notify the consulate of the sending State. If it is not possible to notify the consulate of the sending State within four days because of communications difficulties, they should try to provide notification as soon as possible. Upon the request of a consular officer, he shall be informed of the reasons for which said national has been arrested or detained in any manner.

3. The competent authorities of the receiving State shall immediately inform the national of the sending State of the rights accorded to him by this Article to communicate with a consular officer.

4. A consular officer shall be entitled to visit a national of the sending State who has been arrested or placed under any form of de-

tention, including such national who is in prison, pursuant to a judgment, to converse and to exchange correspondence with him in the language of the sending State or the receiving State and may assist in arranging for legal representation and an interpreter. These visits shall take place as soon as possible, but, at the latest, shall not be refused after two days from the date on which the competent authorities notified the consulate that said national had been placed under any form of detention. The visits may be made on a recurring basis. No longer than one month shall be allowed to pass in between visits requested by the consular officer.

5. In the case of a trial of, or other legal proceeding against, a national of the sending State in the receiving State, the appropriate authorities shall, at the request of a consular officer, inform such officer of the charges against such national. A consular officer shall be permitted to attend the trial or other legal proceedings.

6. A consular officer is entitled to provide to a national to whom the provisions of this Article apply parcels containing food, clothing, medicaments and reading and writing materials.

7. A consular officer of the sending State may request the assistance of the authorities of the receiving State in ascertaining the whereabouts of a national of the sending State. The authorities of the receiving State shall do everything possible to provide all relevant and available information.

8. The rights contained in this Article shall be exercised in accordance with the law of the receiving State. Nevertheless, such law shall be applied so as to give full effect to the purposes for which these rights are intended.

Article 36

Rendering Assistance to Vessels

1. A consular officer shall be entitled to provide any type of assistance to vessels of the sending State which are in the territorial or inland waters, ports or other anchorages of the receiving State.

2. A consular officer may board a vessel of the sending State as soon as permission has been granted the vessel to make contact with the shore. On such occasions, he may be accompanied by members of the consulate.

3. The master and members of the crew may meet and communicate with the consular officer, observing, however, the law relating to the port and the law relating to crossing the border.

4. The consular officer may request the cooperation of the authorities of the receiving State in carrying out his functions with regard to vessels of the sending State and with regard to the master, members of the crew, passengers and cargo.

Article 37

Rendering Assistance to Master and Crew

1. In accordance with the law of the receiving State, the consular officer shall be entitled:

(a) to investigate any incident occurring aboard a vessel of the sending State, to question the master and any member of the crew

(c) to render assistance to those in danger, to assist the vessel's passengers to disembark in a safe place, in consultation with the coastal and destination authorities, and to render assistance in connection with the entry, stay, and departure of a vessel of the sending State;

(d) to settle disputes between the master and a crew member, including disputes concerning wages and employment contracts, to the extent that this action is authorized by the law of the sending State;

(e) to take steps connected with the signing on and the discharge of the master and of any crew member;

(f) to take steps for hospitalization for repatriation of the master or a member of the crew of the vessel;

(g) to receive, draw up or certify any declaration or other document provided for by the law of the sending State in regard to the vessel of the sending State or its cargo.

2. The consular officer may, if permitted by the law of the receiving State, appear together with the master or a crew member before the courts or other authorities of the receiving State in order to render them any assistance.

ARTICLE 35

Protection of Interests in Case of Investigations

1. When the courts or other competent authorities of the receiving State intend to take compulsory actions or to start an official investigation aboard a vessel of the sending State which is in the internal or territorial waters of the receiving State, or on the shore with regard to the master or member of the crew, those authorities must notify the appropriate consular officer of the sending State. If, because of the urgency of the matter, it has not been possible to inform the consular officer before initiation of the actions involved, and the consular officer or his representative has not been present when the actions were carried out, the competent authorities of the receiving State shall promptly provide him with the full relevant particulars of the actions taken.

2. Except at the request of the vessel's master or the consular officer, the judicial or other competent authorities of the receiving State shall not interfere in the internal affairs of the vessel or in questions of relations between the members of the crew, labor relations, discipline and other activities of an internal character, when the peace and safety of the receiving State are not violated.

3. The provisions of paragraph 1 of this Article shall not be applied, however, to ordinary customs, passport and sanitary controls, or in accordance with treaties in force between the two States, to the saving of human life at sea, prevention of pollution of the sea, or to other activities undertaken at the request of, or with the consent of, the master of the vessel.

ARTICLE 36

Assistance to Damaged Vessels

1. If a vessel of the sending State is wrecked or grounded or suffers any other damage in the internal or territorial waters of the receiving State, the competent authorities

of the receiving State shall inform the consulate as soon as possible and inform it of the measures taken for saving the passengers, the vessel, its crew and cargo.

2. A vessel which has suffered a misfortune and its cargo and provisions shall be subject to customs duties on the territory of the receiving State unless they are delivered for use in that State.

ARTICLE 40

Functions with Regard to Aircraft

The relevant provisions of Articles 36 through 39 of this Convention shall also apply to civil aircraft on the condition that such application is not contrary to the provisions of any bilateral or multilateral agreement in force between the two States.

ARTICLE 41

Observing the Law of the Receiving State

1. All persons enjoying privileges and immunities under this Convention are obliged, without prejudice to their privileges and immunities, to observe the law of the receiving State, including traffic regulations, and to respect the customs of the receiving State, and may not interfere in the internal affairs of the receiving State.

2. Consular officers and consular employees who are nationals of the sending State may not carry on any profession or undertake any activity for personal profit on the territory of the receiving State other than their official duties.

3. All means of transportation of the consulate or of members of a consulate and their families shall be adequately insured against civil actions by third parties.

ARTICLE 42

Entry into Force and Renunciation

1. The present Convention shall be subject to ratification. The exchange of instruments of ratification shall take place as soon as possible at Beijing.

2. The present Convention shall enter into force after the expiration of thirty days following the date of the exchange of instruments of ratification.

3. The present Convention shall remain in force until the expiration of six months from the date on which one of the Contracting Parties gives to the other Contracting Party written notification of its intention to terminate the Convention.

DONE at Washington this seventeenth day of September, 1980, in duplicate in the English and Chinese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

JIMMY CARTER

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA:

BO YIHO

ACCOMPANYING LETTERS

September 17, 1980

His Excellency
Chai Zemin
Ambassador of the
People's Republic of China

Excellency:

I have the honor to confirm on behalf of the Government of the United States of America that in the course of negotiating the Consular Convention between the United States of America and the People's Republic of China, the two sides reached agreement on the following questions:

1. The two governments agree to facilitate the reunion of families and will process all applications as quickly as possible under mutually agreed arrangements and in accordance with each side's laws and regulations.

2. The two governments agree to facilitate travel between their respective countries of persons who may have a claim simultaneously to the nationality of the United States of America and the People's Republic of China, but this does not imply that the governments of the two countries recognize dual nationality. Exit formalities and documentation shall be dealt with in accordance with the laws of the country in which such person resides. Entry formalities and documentation shall be dealt with in accordance with the laws of the country of destination.

3. All nationals of the sending State entering the receiving State on the basis of travel documents of the sending State containing properly executed entry and exit visas of the receiving State will, during the period for which their status has been accorded, and in accordance with the visa's period of validity, be considered nationals of the sending State by the appropriate authorities of the receiving State for the purpose of ensuring consular access and protection by the sending State as provided for in Article 35 of the Consular Convention between the United States of America and the People's Republic of China. If judicial or administrative proceedings prevent the above-mentioned persons from leaving the country within the visa's period of validity, they shall not lose the right of consular access and protection by the sending State. Such persons shall be permitted to leave the receiving State without the necessity of obtaining documentation from the receiving State other than the exit documentation normally required of departing aliens.

4. Both governments agree that persons residing in one country who are entitled to receive financial benefits from the other country shall receive their benefits under mutually agreed arrangements and in accordance with each country's laws and regulations.

If your Excellency confirms the above by a note in reply on behalf of the Government of the People's Republic of China, this note shall constitute an integral part of the above-mentioned Consular Convention and shall come into effect simultaneously with the Consular Convention. At that time, the Annex on Practical Arrangements to the Agreement Between the Government of the United States of America and the Government of the People's

Republic of China on the Mutual Establishment of Consular Relations, and the opening of Consulates-General in each other's territory in 1979 will cease to be in effect.

Accept, Excellency, the renewed assurances of my highest consideration.

EDMUND S. MUSKIE
Secretary of State

September 17, 1980

The Honorable
Edmund S. Muskie
Secretary of State

Excellency:

I have today received a note from Your Excellency which reads as follows:

"I have the honor to confirm on behalf of the Government of the United States of America that in the course of negotiations concerning the Consular Convention between the United States of America and the People's Republic of China, the two sides reached agreement on the following questions:

1. The two governments agree to facilitate the reunion of families and will process all applications as quickly as possible under mutually agreed arrangements and in accordance with each side's laws and regulations.

2. The two governments agree to facilitate travel between their respective countries of persons who may have a claim simultaneously to the nationality of the United States of America and the People's Republic of China, but this does not imply that the governments of the two countries recognize dual nationality. Exit formalities and documentation shall be dealt with in accordance with the laws of the country in which such person resides. Entry formalities and documentation shall be dealt with in accordance with the laws of the country of destination.

3. A national of the sending State entering the receiving State on the basis of travel documents of the sending State containing properly executed entry and exit visas of the receiving State will, during the period for which their status has been accorded, and in accordance with the visa's period of validity, be considered nationals of the sending State by the appropriate authorities of the receiving State for the purpose of ensuring consular access and protection by the sending State as provided for in Article 23 of the Consular Convention between the United States of America and the People's Republic of China. If judicial or administrative proceedings prevent the above mentioned persons from leaving the country within the visa's period of validity, they shall not lose the right of consular access and protection by the sending State. Such persons shall be permitted to leave the receiving State without the necessity of obtaining docu-

mentation from the receiving State other than the exit documentation normally required of departing aliens.

4. Both governments agree that persons residing in one country who are entitled to receive financial benefits from the other country shall receive their benefits under mutually agreed arrangements and in accordance with each country's laws and regulations.

If your Excellency confirms the above by a note in reply on behalf of the Government of the People's Republic of China, this note shall constitute an integral part of the above-mentioned Consular Convention and shall come into effect simultaneously with the Consular Convention. At that time, the Annex on Practical Arrangements to the Agreement Between the Government of the United States of America and the Government of the People's Republic of China on the Mutual Establishment of Consular Relations and the Opening of Consulates-General, signed on January 31, 1979 will cease to be in effect."

On behalf of the Government of the People's Republic of China, I have the honor to confirm the above contents.

Accept, Excellency, the renewed assurances of my highest consideration.

CHAI ZEMIN
Ambassador of the People's
Republic of China

September 17, 1980

His Excellency
Chai Zemin
Ambassador of the
People's Republic of China

Excellency:

I have the honor on behalf of the Government of the United States of America to confirm that during the course of negotiations concerning the Consular Convention between the United States of America and the People's Republic of China, both sides reached agreement on the following matter:

Aside from the consulates whose opening has already been agreed upon, the United States and Chinese Governments agree to the establishment of three additional consulates general in each other's territory.

If your Excellency by return note confirms the above on behalf of the Government of the People's Republic of China, this note and your Excellency's note in reply will constitute an agreement between the Government of the United States of America and the Government of the People's Republic of China which shall take effect from the date of the Embassy's note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

EDMUND S. MUSKIE
Secretary of State

September 17, 1980

The Honorable
Edmund S. Muskie
Secretary of State

I have today received a note from your excellency, which reads as follows:

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Aside from the consulates whose opening has already been agreed upon, the United States and Chinese Governments agree to the establishment of three additional consulates general in each other's territory.

If your Excellency by return note confirms the above on behalf of the Government of the People's Republic of China, this note and your Excellency's note in reply will constitute an agreement between the Government of the United States of America and the Government of the People's Republic of China which shall take effect from the date of the Embassy's note in reply."

On behalf of the Government of the People's Republic of China, I have the honor to confirm the above contents.

Accept, Excellency, the assurances of my highest consideration.

HIS EXCELLENCY
CHAI ZEMIN,
Ambassador of the
People's Republic of
China

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